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REVIEW OF PROGRESS MADE IN IMPLEMENTING THE BUENOS AIRES PLAN OF ACTION AND THE DECISIONS OF THE HIGH-LEVEL COMMITTEE AND IMPLEMENTATION OF THE RECOMMENDATIONS OF THE SOUTH COMMISSION

SUMMARY

The present report is submitted in accordance with paragraphs 1, 3 and 7 of decision 8/1 of the High-level Committee, regarding:

(a) Information on progress achieved by Governments in activities for technical cooperation among developing countries;

(b) Progress made by the United Nations development system in implementing the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, including action on the recommendations of the South Commission.

The report contains an analysis of the information received by the Special Unit for Technical Cooperation among Developing Countries, a summary of the emerging trends in the period under review and the conclusions and recommendations of the Administrator of the United Nations Development Programme.

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I. INTRODUCTION

1. Biennial reporting on progress in the implementation of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries 1/ is now a regular feature in the preparation of substantive documentation for the High-level Committee on the Review of Technical Cooperation among Developing Countries. Following the methodology established for the preparation of reports for the High-level Committee, the Special Unit for Technical Cooperation among Developing Countries requests information from member countries, both developing and developed, from the regional bureaux and other divisions and units of the United Nations Development Programme (UNDP), and from the organizations of the United Nations development system, as well as from intergovernmental and non-governmental organizations that are especially active in the area of technical cooperation among developing countries (TCDC). The High-level Committee, in paragraph 10 of its decision 7/5, requested that a single document on the subject be prepared for future sessions. Further, in paragraph 3 of its decision 8/1, the High-level Committee indicated that the report should include progress in implementation of the relevant recommendations contained in the report of the South Commission entitled The Challenge to the South. 2/

2. The Special Unit for TCDC sent out five sets of questionnaires in the middle of October 1994 soliciting information from countries, the United Nations system and other organizations. By the end of March 1995, 40 developing countries, 4 developed countries, 16 organizations of the United Nations development system and 10 intergovernmental organizations had submitted the information requested. A list of the countries and organizations providing information is given in the annex to the present report. The information received is diverse in nature; while some of it is very comprehensive, other information received is relatively incomplete.

3. Information received from countries, supplemented by information from the regional bureaux of UNDP and some intergovernmental organizations, allows identification of some general trends in the promotion of TCDC and the application of the modality. This is presented in the second chapter of the present report.

4. The progress report on the activities of the United Nations development system is provided in chapter three. This part of the report is in two sections, one on the activities of organizations other than UNDP and the other on UNDP activities.

5. The final chapter gives the conclusions and recommendations of the Administrator of UNDP. In this chapter, the salient points on implementation of TCDC strategy for the 1990s is briefly commented upon. Then comments on several issues, including women in development, overall South-South cooperation and TCDC in the context of transitional economies, are provided.

II. INFORMATION FROM GOVERNMENTS ON THEIR ACTIVITIES FOR TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

6. The Governments of developing countries were asked to provide for the period under review, that is, 1993 and 1994, information on their policies, mechanisms and resources for TCDC and to report on their promotional and operational TCDC activities. Information was solicited on multilateral and bilateral TCDC agreements; involvement in networks for TCDC; needs and capacity assessment or compendia for TCDC; and TCDC planning missions and sensitization activities. They were also invited to offer their suggestions on the TCDC modality and enhancement of its application.

7. The Governments of developed countries were asked to provide information indicating the level of utilization of the TCDC modality and support provided to it, particularly in direct or indirect financing. They were also requested to provide information on the policies currently followed as well as those envisaged in the future to facilitate TCDC.

8. The intergovernmental and non-governmental organizations (NGOs) were asked to provide information on the level of utilization of the TCDC modality in their development activities. They were requested to describe the progress of TCDC, citing examples from their experience and knowledge in the field. Their responses supplemented information received from the countries.

9. The following gives a summary of the policies followed and activities undertaken by the reporting countries in the area of TCDC.

A. Policy, mechanisms and sensitization for TCDC

10. All reporting developing countries, except Cambodia and Madagascar, indicated that they had focal points for TCDC in some form or other, most of which were located in the ministry or organization dealing with the economy and planning. In some countries, the location of the national TCDC focal point is in some other ministry or office, such as foreign affairs, industry and development or finance ministries, the cabinet secretariat, the prime minister or president's office, or a science and technology commission. The focal point unit is usually small, with TCDC typically being one of several responsibilities in the portfolio of work. There are, however, single-purpose and well-organized technical cooperation agencies, such as Tunisian Agency for Technical Cooperation and the Turkish Agency for Cooperation. Some countries reported establishment of focal points during the period under review, including Azerbaijan, Myanmar, Togo, Uganda and Ukraine. There was a unanimity of views on the need for strengthening the national focal points.

11. The constraints in the effective functioning of the national TCDC focal points were noted as a lack of staff capability, financial resources, coordination within the Government and understanding of TCDC, resulting in insufficient support for full utilization of the TCDC modality.

12. Venezuela and Indonesia, for example, provided a very interesting study, in contrast, of the effectiveness of the focal point. Both countries have a deep commitment to TCDC. Venezuela assists its neighbours quite generously and steadfastly promotes regional cooperation. Indonesia offers technical cooperation to many countries in areas of its expertise in a systematic manner and works for regional integration. Both have designated national TCDC focal points; in Venezuela in the Ministry of Planning and in Indonesia in the Cabinet Affairs Ministry. Venezuela has an aid programme for a number of the countries that buy oil from it; even in a year of resource squeeze like 1994 the aid programme amounted to US$ 117 million. It has a regular TCDC programme with many countries of the region, for which specific budget allocations are made regularly in favour of various agencies. The TCDC focal point also executes a UNDP-funded umbrella project for this purpose. Many of its institutions provide training and offer fellowships to nationals of other countries of the region. In addition, it has a programme of technical cooperation specifically for Central American and Caribbean countries. Despite the vigorous involvement of the country in TCDC, there is no government agency that coordinates the activities of different agencies or even undertakes a comprehensive accounting of it. The national focal point only deals with TCDC when the Ministry of Planning is involved. Indonesia is a provider of technical cooperation in selected fields, such as family planning, urban management, primary health care, debt management, the sugar industry, food security and basic education. In contrast to the Venezuelan coordination mechanism, all technical cooperation activities are approved and monitored by its national TCDC focal point, in which the ministries of foreign affairs, finance and cabinet affairs and the national planning authority are represented. This is also the executing agency for a substantial indicative planning figure (IPF) supported TCDC project. The use of national resources for TCDC, which is considerably less than that provided by Venezuela, is well-coordinated and perhaps more productive and visible as well.

13. It seems that in a number of countries there is now a clearer perception of what the national TCDC focal points should do. Some countries, for example Ethiopia, Indonesia, Nepal, Pakistan, Peru and Tunisia, have indicated the need for strengthening the focal points particularly as a source of information on TCDC. Pakistan suggested that they could be strengthened through planned exposure to focal point mechanisms that are considered to be better organized, such as those of China, Indonesia and Thailand. Contact between focal points of the region was considered very desirable by many countries, including Cyprus, Pakistan, Togo, Tunisia, Turkey and Uganda. Four countries, Azerbaijan, Cambodia, Togo and Ukraine, have requested assistance in setting up their national TCDC focal points.

14. While it is true that most countries are yet to have a well-articulated national TCDC policy, its importance is widely recognized. The issue of commitment at high levels of Government has again been stressed by some countries, such as Bolivia, Cyprus, Ecuador, Myanmar, Peru, and the Syrian Arab Republic. A few countries, such as Azerbaijan and Uganda, have joined the ranks of countries like Indonesia, Malaysia, Pakistan, Peru, Tunisia and Turkey who already have clear policies in this respect. A few countries, such as Madagascar and Togo, have identified the most suitable sectors for TCDC. Colombia and Peru recommend that earmarking of sectors for TCDC and identification of suitable countries for the purpose can enhance application of

TCDC significantly. Many countries, such as Benin, China, Mauritania, Nepal, Paraguay, Samoa, Senegal, Togo, Uruguay and Venezuela have suggested sensitization programmes in the near future; Pakistan has plans to undertake such a programme in its provincial capitals.

15. In the Latin American region, the Latin American Economic System (SELA) has been active in setting out TCDC strategies for the region. The meeting of directors of technical cooperation of the region, convened by SELA in Caracas in 1993, focused attention on this topic. In the 1994 meeting, held at La Paz, a methodology for programming, negotiation, follow-up and evaluation of TCDC was adopted. Such regional action facilitated articulation of national policies, strengthening of national TCDC focal points and expansion of bilateral TCDC between countries.

16. Countries are giving special attention to compilation of needs and capacities, mainly to facilitate technical cooperation programmes. Some countries are particularly interested in making their capacities known, and countries like Chile, Indonesia, Malaysia, Singapore and Turkey, publicize them through diplomatic channels. Among the reporting developing countries, only a few, for example, Bahrain, Cambodia, Cyprus, Mauritius and Paraguay, do not have some kind of compendium on needs and capacities. Ethiopia, Pakistan, Peru, Singapore, Tunisia and Turkey emphasize frequent updating of information on capacities. Indonesia and Malaysia, which do not maintain regular compendiums, make periodic announcements of their capacities. Mauritania has set up its TCDC focal point as a sequel to a National Technical Cooperation Assessment and Programmes (NATCAP) exercise, and an assessment of its needs and capacities is now being undertaken. The initiative of the Special Unit for TCDC in preparing national compendiums has generated interest in many countries in this respect.

17. Turkey highlighted the role of centres of excellence in promoting TCDC. It confirmed that UNDP assistance in developing national institutions had enabled Turkey to provide technical cooperation to other countries. Some of the institutions now actively involved in TCDC are the Middle East Technical University, the Mineral Research and Exploration Centre, the Small and Medium Industries Organization, the Medicinal Plants Centre, the Experimental Medical Research and Application Centre, the Turkish Standards Institute and the Sumerbank Textile Centre.

18. Malaysia listed similar institutions, including the Asian and Pacific Development Centre and the Centre for Instructor and Advanced Skill Training, as being important vehicles for TCDC. Indonesia emphasized the importance of regional and national institutions in the promotion of TCDC. Tunisia also acknowledged the value of regional and national centres of excellence in promoting TCDC. China stated that institutions developed by the Government and UNDP were a major instrument in the delivery of TCDC, and mentioned a few by way of illustration of their involvement in TCDC. Some of these institutions were in the fields of biogas, fisheries, hydro-power, basic health care, sericulture, meat preservation and soil erosion and sedimentation.

19. Peru reported a weakening of state participation in research and development and felt that many centres of excellence were suffering on that count. Venezuela also felt that its centres of excellence needed to be

strengthened urgently, so that they might continue to discharge the important role that they are now playing in training personnel from other countries of the region.

B. Bilateral TCDC

20. TCDC is an active modality in the bilateral relations of a large number of the reporting countries. A great deal of it takes place under bilateral agreements between countries on technical, economic, trade, scientific or educational collaboration. Some such agreements are between institutions of countries; for example, the Turkish Standards Institute reports six cooperation agreements with countries as diverse as Bulgaria, Cuba, India, Mongolia, the Republic of Korea and the Republic of Moldova. In addition, many countries undertake TCDC activities on a bilateral or multi-country basis under regional and intergovernmental arrangements. Mauritius acts under four such arrangements, the Organization of African Unity (OAU), the group of African, Caribbean and Pacific States, the Indian Ocean Commission (IOC) and the Preferential Trade Area for Eastern and Southern African States. Bahrain acts under the Gulf Cooperation Council initiative, and Paraguay under the aegis of the International Organization for Migration (IOM). Even countries with rich bilateral experience like Chile, Malaysia and Turkey also utilize an intergovernmental umbrella for many of their bilateral TCDC activities.

21. Many of the bilateral cooperation agreements are all-purpose and provide for the mechanism of joint commissions for annual or periodic preparation and review of work programmes. There are also bilateral agreements for sectoral cooperation, as in agriculture, tourism or culture. Usually agreements extend over a fixed period of time, such as two or five years, and are renewed thereafter.

22. SELA has been a pioneer in TCDC in the region and it continues its support for a variety of TCDC initiatives. A number of countries have reported on activities initiated or assisted by SELA. Besides holding the annual meeting of directors of technical cooperation of the region, SELA has coordinated activities in different countries relating to health-technology development, debt issues such as conversion and practices of international lending agencies, and trade issues such as environmental standards and unfair practices.

23. Mexico has put in place a specific programme for TCDC under the multilateral framework of the Organization of American States (OAS). The resources placed at the disposal of the secretariat of OAS by Mexico are utilized for (a) supporting productive sectors in less developed countries of the region with Mexican technical cooperation; and (b) supporting the Mexican productive sector, particularly small and medium-sized industries, through external training and technical consultation.

24. Argentina has also taken a similar initiative. It has created a fund called the Argentinian Fund for Horizontal Cooperation and placed a first deposit of $900,000 with the OAS secretariat in 1992. The Fund's resources now amount to $3.2 million. According to the report furnished by the OAS secretariat, 124 requests for horizontal cooperation have so far been approved,

committing a total of $1.2 million. Many countries, including Bolivia, Ecuador, Paraguay and Peru, have reported on some of these activities involving training, expert services, equipment and technology exchange.

25. China is very active in TCDC and has three national departments to handle it. The Department of International Relations is in charge of policy-making and mapping out strategy, with an annual budget of $100,000. The Department of Aid to Foreign Countries provides technical assistance to other countries; its budget is $600,000. The China International Centre for Economic and Technical Exchange handles receipt of aid from outside and is the executing agency for IPF-supported projects. The work of these three departments, all located in the Ministry of Foreign Trade and Economic Cooperation, is well-coordinated within the framework of national TCDC policy.

26. At the initiative of Venezuela, a new innovative mechanism for TCDC and economic cooperation among developing countries (ECDC), known as the Bolivar Programme, was made operational in April 1993. The Programme is described below in some detail because of its potential as a powerful instrument for TCDC and ECDC. As soon as it was operational, the Programme carried out an external evaluation, which was completed in July 1994 under the aegis of UNDP, on its potential internal systems and procedures and organizational structure.

27. The Bolivar Programme puts together partners from different countries of the region in setting up or improving enterprises trying to achieve progress in technological research, innovation in industrial production, expansion of product markets and competitive superiority in production. The partnerships are usually between private parties or research institutions and may also involve joint ventures between the public and private sectors.

28. The idea for the Bolivar Programme originated from the decision of the heads of State of the Rio Group in 1987 to boost the ties between the public and private sectors in the field of technological development. The President of Venezuela and the President of the Inter-American Development Bank (IDB) launched the Programme in March 1992, with a view to promoting regional technological integration, innovation and competitiveness. Seven other countries, Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico and Uruguay also joined the initiative. Venezuela provided $1.1 million and IDB $4.1 million as seed money and the other sponsoring countries have by now put up an additional $2.7 million.

29. The headquarters of the Programme is in Caracas and at present it has 17 country liaison offices and 43 regional offices in the participating countries. Venezuela, for example, has 1 country and 7 regional offices. These offices are set up not by Governments alone but primarily by local interests, including chambers of commerce or business, universities and research institutes and financial institutions. The Venezuela country liaison office, for example, was set up by the Bank of Venezuela.

30. The Programme plays an advocacy role in promoting regional integration and the drive for innovation and competition. It collects proposals for collaboration, sometimes modifying or redesigning them; circulates them to possible partners; appraises and evaluates them, if necessary; helps willing

parties to draw up agreements; assists them in finding financial backing; and also conducts market studies, where necessary. Usually it establishes networks of professional bodies, such as financiers, lawyers, small entrepreneurs, businesses or research groups. It also has 11 reference centres in developed countries, including 2 in the United States of America and Spain and 1 each in Canada, China, Denmark, France, Israel, Italy and Portugal.

31. The Programme is administered by an executive secretariat, which is governed by an international board in which the Governments of the eight countries, academia, businesses, financial institutions, professional groups from, for example, the legal profession and the scientific and research community, are represented. There are national commissions in each country to govern the liaison offices, which are administered by national coordinators. The Programme is financed by contributions from promoters such as Governments, financial institutions, regional intergovernmental organizations and, more recently, by fees paid on proposals and understandings by the parties.

32. A measure of the success of the Programme is provided by the Venezuelan national country liaison office, where about 400 proposals have been received from foreign partners since the Programme became operational, for 53 per cent of which partners have been found. Only 10 per cent of the proposals involve investment of less than $50,000 and 34 per cent involve more than $750,000. During the same period, Venezuelan entrepreneurs have put forward about 200 proposals to other countries to find partners there. Brief details of these proposals are circulated in local newspapers so that collaborators can be found.

33. Brazil is setting up a fund similar to those of Argentina and Mexico, which will be operational in 1995. This will also be administered by OAS, and Brazil has announced an initial contribution of $800,000.

34. The Turkish Agency for Cooperation is the national TCDC focal point in the country, located in the State Planning Organization. In 1992, Turkey established the Turkish International Cooperation Agency in the Ministry of Foreign Affairs, mainly to look after emerging economic relations with the transitional economies of Eastern Europe and Central Asia. In addition to fostering economic links, the International Cooperation Agency is undertaking a substantial technical cooperation programme with these countries. Special mention may be made of programmes such as the ones on aid management, modernization of educational curricula, development of statistical systems, establishment of product standards and development of tourism. The establishment of the Agency and the expansion of economic relations with the transitional economies have vastly expanded operational TCDC by Turkey, and this has also been facilitated by larger budget allocations for TCDC.

35. Many reporting countries undertook TCDC missions or arranged visits by TCDC focal points and other institutions to promote TCDC. Some of them resulted in actual agreement for activities, such as Ethiopian, Pakistani and Turkish participation in capacities and needs matching exercises in Asia and Africa. Elsewhere, visits by the TCDC focal point of Pakistan to China and the Philippines were helpful in sensitizing countries about their needs and capacities and opened up possibilities for future cooperation. A Peruvian TCDC mission to Thailand opened the door for cooperation between the two countries.

Malaysia, Pakistan and Turkey reported sending out TCDC missions to countries in Central Asia, exploring the possibilities of mutual cooperation. Cyprus has sent missions to countries in Eastern Europe and to the Russian Federation. Countries in Latin America, such as Bolivia, Chile, Colombia, El Salvador, Guatemala, Mexico, Paraguay, Peru and Venezuela exchanged missions among themselves and these contacts led to agreements on TCDC activities and their implementation. Colombia sent missions to El Salvador, Guatemala and Hungary. China sent a mission to the Mekong basin countries and reached agreements with the Lao People's Democratic Republic, Myanmar, Thailand and Viet Nam on technical and economic cooperation. China also received delegations from South Pacific countries to sensitize them on TCDC and reach accords on capacities and needs matching activities.

36. Technical cooperation agreements or accords entered into by countries for specific activities or TCDC interventions continued to increase both in number and in sectoral coverage. For example, the five capacities and needs matching exercises in the period under review resulted in 750 agreements for activities. Uganda reported implementation of 15 projects emanating from these exercises and involving China, Indonesia, Nigeria, Singapore and Turkey. Two meetings of technical cooperation agencies of countries of the Organization of the Islamic Conference (OIC), hosted by the Turkish TCDC focal point, resulted in 345 agreements. SELA meetings of directors of technical cooperation similarly resulted in many bilateral project accords. An umbrella agreement between national institutions of two countries usually results in accords for a number of activities. The Turkish Standards Institute has a budget of $451,500 to implement projects it has with partner institutions in other countries. Supported by travel grants from IOM, a large number of TCDC activities take place in the Latin American and Caribbean region.

37. A large number of bilateral activities are usually agreed between countries in a region or belonging to some common forum and are executed with their own resources. For example, Venezuela planned to execute 106 projects with Brazil, Chile, Colombia, Cuba and Mexico between 1991 and 1994 and, by one estimate, it cost them only $360,000. Chile, Colombia and Venezuela have their own programmes with Central American countries. Chile is involved in both regional as well as bilateral programmes in Central America in fields such as human resource development, poverty alleviation, public expenditure, mineral resource utilization, forest resource development and export promotion. For the biennium 1994-1995, there are 35 regional projects and 50 bilateral projects with Central American countries. For the bilateral activities, cost estimates of $172,000 were provided. Colombia's bilateral programme for the Central American countries was $100,000 in 1994. Venezuela executed a very large programme with Central American and Caribbean countries in 1994. Peru executed projects with Argentina, Chile, Cuba, Malaysia and Mexico in 1993, the value of which is estimated at $275,000. In 1994, Peru executed about 25 activities with Argentina and 42 with Mexico. Uganda has obtained experts for its university, medical college and a rural development trust from China and Nigeria. Training facilities in solar technology, computer use, medicinal plants, civil aviation and cocoa agronomy have been obtained from China, Indonesia, Nigeria and Turkey. Nigeria arranged to obtain the services of 30 doctors from Cuba, combining the modalities of TCDC and the United Nations Volunteers Programme (UNV).

38. Information received on general agreements under which countries have undertaken bilateral TCDC activities is tabulated below. This table shows active bilateral relations. It does not provide a list of formal bilateral agreements that are on record but may be somewhat dormant.

Table 1. Examples of bilateral and multilateral agreements between selected countries

Country	Partner
Bahrain	India, Pakistan, Republic of Korea and Taiwan province of China; Arab Industrial Development and Mining Organization, Gulf Cooperation Council, Gulf Investment Corporation and Gulf Organization for Industrial Consulting.
Benin	China, Cuba, Democratic People's Republic of Korea, Malaysia and Tunisia; OIC.
Bolivia	Argentina, Chile, Cuba, Mexico and Peru; San Jose Agreement and SELA.
China	Lao People's Democratic Republic, Myanmar, Thailand and Viet Nam.
Colombia	Argentina, Chile, China, Cuba, El Salvador, Greece, Guatemala, Hungary, Nigeria, Romania and Venezuela; OAS, San Jose Agreement and SELA.
Cyprus	Significant number of countries, but none named.
Ecuador	Argentina, Bolivia, Chile and Cuba.
Democratic People's Republic of Korea	Bulgaria, China, India, Poland, Romania and Ukraine.
Madagascar	China, Cuba, Indonesia and Maghreb countries.
Malaysia	Bangladesh, India, Mauritius, Nigeria, Philippines and Thailand; Movement of Non-Aligned Countries and South Information, Trade and Technology Development Exchange Centre (SITDEC).
Mauritania	Guinea.
Mauritius	China, India, Malaysia, Pakistan and Thailand; Group of African, Caribbean and Pacific States, IOC, OAS and Preferential Trade Area for Eastern and Southern African States.
Panama	Bolivia, Chile and Costa Rica.
Paraguay	Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Honduras and Peru; IOM, OAS and SELA.

Country	Partner
Peru	Argentine, Bolivia, Chile, Colombia, Cuba, Guatemala, Mexico, Paraguay, Thailand and Venezuela; IOM and SELA.
Senegal	Central African Republic and Seychelles.
Togo	Neighbouring countries, and China and India.
Tunisia	Algeria, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo, Côte d'Ivoire, Djibouti, Egypt, Ethiopia, Gabon, Guinea, Libyan Arab Jamahiriya, Madagascar, Mali, Mauritania, Morocco, Mozambique, Niger, Rwanda, Senegal, Sudan, Togo, Zaire and Zimbabwe; OIC.
Turkey	47 bilateral agreements with the following countries and areas, a few between institutions of countries: Afghanistan, Albania, Azerbaijan, Bangladesh, Bulgaria, Egypt, Ethiopia, former Yugoslav Republic of Macedonia, Georgia, Hungary, Indonesia, Kazakstan, Kuwait, Kyrgyzstan, Mongolia, Morocco, northern Cyprus, Pakistan, Poland, Republic of Moldova, republics of the Russian Federation, Romania, Senegal, Tunisia, Turkmenistan, Ukraine, Uzbekistan and Yemen; Black Sea Economic Cooperation and Economic Cooperation Organization, OIC.
Uganda	Nigeria and United Republic of Tanzania.
Uruguay	Brazil and Chile; SELA.
Venezuela	Brazil, Chile, Colombia, Cuba and Mexico; San Jose Agreement and SELA.

C. Financing of TCDC

39. A number of reporting countries have made allocations for TCDC in their national budgets. Small allocations are made in the budgets of countries such as Mauritius, Paraguay and Peru to meet the costs of bilateral TCDC programmes such as training and transportation of experts. In some countries, such as Mauritania, Peru and Uruguay, limited responsibility for meeting expenses is assumed by host institutions or, in some cases, such as Cyprus, by the institutions providing the services. Some countries have fairly large allocations for bilateral TCDC programmes. Venezuela operates an aid programme for countries of the region to buy oil from the San Jose facility, and also makes allocations for TCDC under different agencies, such as the ministries of external relations or planning, various institutions in the health, education and energy sectors and the Investment Fund. Colombia has a fund for TCDC with Central American countries, but this is being converted into a general budget allocation for TCDC with all countries, and the country is planning to set up an autonomous institution to take care of the programme. Turkey reports a biennial

provision in the amount of $72.7 million. Other countries making large annual provisions are Malaysia: $5 million, Pakistan: $1 million, China: $700,000, Indonesia: $600,000, Tunisia: $250,000, Malta: $120,000 and Colombia: $100,000. Senegal has established a line of financing in the amount of 10 million CFA (Communauté financière africaine) francs for TCDC in the 1993 investment budget.

40. These provisions are in addition to in-kind contributions, such as the time of an expert working in a government office/private organization or facilities in a training institute. Moreover, various institutions, both governmental and private, involved in TCDC activities support such activities with their own resources.

41. Allocations from national budgets are not always placed at the disposal of the TCDC focal point and are not administered by a central organization. They are usually distributed over the budgets of various ministries involved in TCDC, such as the ministries of economic relations, education, health, agriculture, trade, culture or science and technology.

42. Singapore was host to a capacities and needs matching exercise in 1992 and as a result offered 112 management training fellowships in 1994 at its various institutions. The Government made allocations in the budget to meet the cost of these fellowships. Pakistan provided special facilities to accommodate requests for training opportunities made in the capacities and needs matching exercise on civil aviation held in Pakistan in 1992. Turkey made special budgetary provisions to meet technical cooperation needs of the transitional economies of Central Asia.

43. TCDC activities are supported by quite a few countries under projects prepared with IPF resources, but usually the allocations are very small. Most of the regional programmes try to enhance regional cooperation and capability and generally promote TCDC and often apply the TCDC modality. Such programmes, even when they are executed by a United Nations agency, are moored to some regional institution or network and use national experts and national institutions at costs substantially lower than international estimates. Programmes like the Transfer of Knowledge through Expatriate Nationals (TOKTEN), UNV and the Private Sector Development Programme are increasingly utilizing developing country personnel; and as such they are being viewed more as a kind of TCDC activity. Nepal is preparing one umbrella project to cover all such activities under the broad category of TCDC. Information on use by countries of IPF resources for TCDC, mainly under umbrella TCDC, TOKTEN and UNV projects, is provided in table 2 below.

Table 2. IPF-funded projects

Country	Type of project	Amount (US dollars)
Bangladesh	Development management	480 000
	TOKTEN	479 200
Bolivia	Under preparation for 15% of IPF	
Brazil	Support for South trade	117 000
Chile	Assistance for TCDC	765 100
	(Cost-sharing)	365 000
Djibouti	Volunteers for TCDC (completed in 1994)	254 820
Ghana	Promotion of TCDC	362 450
India	TOKTEN	925 000
Indonesia	Promotion of TCDC	2 119 000
	(Cost-sharing by Japan)	200 000
Liberia	Promotion of TCDC (inactive)	164 500
Mexico	Poverty project	390 000
Nepal	Umbrella project (under preparation)	
Nigeria	South-South cooperation	1 480 100
Pakistan	Umbrella project	200 000
	TOKTEN	800 000
Panama	Umbrella project	125 000
Paraguay	UNV assistance	236 178
Somalia	UNV for water supply (completed in 1993)	724 760
Sri Lanka	Umbrella project (under preparation)	
Sudan	Training and consultancies	625 904
Syrian Arab Republic	Umbrella project (under preparation)	
Togo	UNV project (under preparation)	
Thailand	Umbrella project	100 000
Tunisia	Promotion of TCDC	600 000
	TCDC with Arab countries (regional project, almost completed)	340 000

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Country	Type of project	Amount (US dollars)
Turkey	Promotion of TCDC	200 000
Uganda	Coordination of consultancy services	722 000
Uruguay	Under preparation for 10% of IPF	
Venezuela	Umbrella project	247 000
	(Cost-sharing)	97 000

D. Extent of TCDC

44. One important criterion for measuring the extent of TCDC is provided by statistics on training activities undertaken in the developing countries and exchange of experts and equipment under TCDC arrangements. The reports available are from a limited number of countries and provide a general indication of the degree of TCDC being undertaken. Only Togo has reported on receipt of equipment (from India). Some countries have offered comprehensive training programmes in various subjects. Pakistan organized special facilities following the capacities and needs matching exercise on civil aviation hosted by the country in 1992. Singapore offered 112 fellowships for management training in the wake of the capacities and needs matching exercise on management development it hosted in 1992. Indonesia selected special areas like urban development and population planning to offer training facilities. Malaysia and Turkey provided numerous opportunities to trainees from other countries. Pakistan and Turkey made special arrangements to educate and train citizens of the transitional economies of Central Asia. Exchange of experts has also been widespread. Tunisia and Turkey provided the services of a large number of experts to other developing countries. Countries have reported receiving training as well as experts from China and India. By the end of 1993, China had organized 476 training courses for about 2,000 trainees, deputed a large number of experts to other countries, and also sent medicines, computers and machinery to the South Pacific.

45. Countries in the Latin America and Caribbean region benefited from educational and cultural exchange programmes undertaken by OAS. In 1994 alone, these two programmes had an allocation of $5.75 million. The Latin American Energy Organization carried out training and information exchange programmes among the countries of the region. In two years, it trained 88 people and used 52 experts for technical cooperation activities in the countries. Venezuela provides numerous training facilities to nationals from the region, particularly from Central America and the Caribbean islands. An important multilateral support for TCDC in the region is a programme of IDB that promotes and finances TCDC exchanges at countries' request.

46. Training and education is one area in which TCDC is now a very dominant modality of international technical cooperation. In this area there is evidence of triangular cooperation as well. The use of experts under the TCDC modality is still very largely constrained by inadequacy of financial resources for TCDC.

47. Some countries have suggested that the criteria for activities to qualify as TCDC are too restrictive. Lebanon and Mozambique, for example, suggested that a lot of their activities supported by UNDP in fact follow the TCDC modality, as the job is done only by the institutions and experts of developing countries on favourable terms. They also indicated that continued cooperation of this kind is now venturing to undertake TCDC activities under bilateral agreements.

48. Table 3 below shows information on training and consultancy received from selected developing countries.

Table 3. Training and consultancy in selected developing countries

	Trainees	Experts	Period
1. Recipients			
Cambodia	8		1993-1994
Colombia	2	18	1994
Indonesia	a/		
Democratic People's Republic of Korea	150 b/		1993-1994
Madagascar	82		1982-1992
Mauritius	600	118	1989-1991
Mauritania	a/	a/	
Myanmar	91		1993-1994
Nepal	42	1	1993-1994
Paraguay		22	1993-1994
Samoa	19	1	1993-1994
Sri Lanka	35		1993
Syrian Arab Republic	6		1993-1994
Togo		53	1994
Turkey	68	8	1993-1994

	Trainees	Experts	Period
Uganda	17	13	1993-1994
Uruguay	52	136	1993-1994
2. Providers			
Bahrain	a/	a/	
China	2 000	several hundreds	up to 1993
Colombia		15	1994
Cyprus	a/	a/	
Indonesia	327		1993-1994
Malaysia	4 650		since 1981
Pakistan	443 c/ 125 125		1993-1994
Singapore	92		1994
Tunisia	160	299	1993-1994
Turkey	1 288 d/ 842	211 e/ 144	1993-1994

a/ Information on number not provided.

b/ Number of trainees and experts combined.

c/ 443 is the annual number of trainees and students accepted in Pakistan. The additional facilities of 125 trainees each were tailor-made for Central Asian countries and civil aviation training respectively.

d/ In addition to 1,288 trainees for courses of 2-26 weeks, scholarships were provided for 842 students from transitional economies.

e/ In addition to 211 experts deputed to various countries, Turkey provided 114 teachers to the transitional economies.

E. Role of developed countries

49. Very few cases of support for TCDC from donor countries through their bilateral aid programmes have been reported. Tunisia reports using funds from the United States Agency for International Development (USAID) and the German Agency for Technical Cooperation (GTZ) for TCDC. Chile indicated that it was exploring triangular cooperation, under which financing from donors would support delivery of technical cooperation by Chile to other developing countries. Colombia developed a TCDC programme with El Salvador with financing from Italy. Venezuela and Colombia together were using French aid for TCDC programmes in Central America and the Caribbean. Some of the trainees in the Indonesian family planning programmes were being financed by bilateral donors like USAID, Australia and the Netherlands. Some other developing countries who could not implement agreed TCDC activities also considered the possibility of triangular cooperation. It is argued that this would result in the best use of scarce resources. With limited increases in financing, TCDC could be substantially expanded.

50. Reports from donor countries show that under fellowship and training programmes donor countries promote TCDC by using training facilities in the developing countries. The United Kingdom of Great Britain and Northern Ireland in an average year makes 200 training awards involving training in a developing country and is also investing in strengthening the capacity of some developing country institutions and networks.

51. Germany reported that TCDC is highly rated in its development policy and is considered to be an important complement to North-South cooperation. Germany holds the view that the potential of TCDC can be maximized if it is made an integral part of national and international development cooperation. Germany contributes to TCDC in its bilateral aid programmes by promoting international institutions in developing countries, arranging for trainees from developing countries to be trained in other such countries, undertaking joint projects with developing countries, deploying developing country experts to other such countries and supporting TCDC activities between developing countries. For example, it has supported the Asian Institute of Technology in Bangkok in the amount of DM 44 million between 1972 and 1994, the Pacific Islands Broadcasting Association with DM 1.5 million between 1989 and 1993, and the Arab Centre for the Study of Arid Zones and Dry Lands in the Syrian Arab Republic with DM 12.7 million between 1977 and 1994.

52. Austria has an active programme in support of TCDC. Several TCDC projects have been taken up in various regions such as Central America and Southern Africa and an estimated allocation for the two years under review is $12.89 million. Austria plans to step up third country scholarship programmes.

53. New Zealand indicated that its programme did not cover any TCDC-type activities.

III. PROGRESS MADE IN THE UNITED NATIONS DEVELOPMENT SYSTEM IN IMPLEMENTING THE BUENOS AIRES PLAN OF ACTION AND RECOMMENDATIONS OF THE SOUTH COMMISSION

A. United Nations organizations other than UNDP

54. The questionnaire sent to organizations of the United Nations development system solicited information under six headings and information received is summarized under three combined headings in the first section of the present report. Information received from the regional commissions is also included in the report.

55. All organizations were also asked to report on the application of the guidelines and recommendations for review of policies and procedures in United Nations organizations relating to TCDC. A separate report (TCDC/9/4 II) has been prepared on that specific subject.

1. Level of support for TCDC

56. The level of support for the promotion and application of TCDC can be measured by three criteria. Policies and strategies that have been followed in respect of TCDC; institutional arrangements that focus attention on TCDC, including the organization of the focal point mechanism and sensitization programmes; and the actual application of the modality and specific actions taken that give priority to the modality. This can be measured from attention given to promotional and operational TCDC activities as well as allocation of financial resources for the purpose. Most organizations have reported considerable progress on all three fronts.

57. The Food and Agriculture Organization of the United Nations (FAO) has been active in supporting TCDC with resources from both regular and extrabudgetary funds and has a clear policy thrust. A major initiative in 1994 has been a framework agreement to facilitate use of consultants from developing countries in other developing and transitional economies. FAO provides for international travel, essential internal travel, medical and insurance coverage and a supplement to the living expenses of the expert directly paid to him or her, while the host country provides for boarding, lodging and laundry and the releasing country pays the salary of the expert. By the end of 1994, some 40 developing countries and 4 countries in transition had signed the agreement. A roster of available experts willing to work under the arrangement is under preparation and 700 have been listed so far. For greater use of the TCDC modality, the following measures are being taken: briefing of project identification/formulation missions on TCDC options; systematic use of the roster of TCDC experts; exploring the use of the TCDC modality in ongoing projects originally prepared as traditional types of projects; increased use of regional, subregional or other intergovernmental institutions and networks in project implementation; and participation of the TCDC/ECDC unit within FAO in selected project task forces. Use of technical resources of developing countries increased significantly; procurement from developing countries was 29.5 per cent in 1993 and 41.4 per cent in 1994. Fellowship placements in developing countries was 48 per cent in 1992 and 51 per cent in 1993; and

awarding of subcontracts was 22 per cent in 1992 and 33 per cent in 1993. TCDC briefing sessions are held twice a year for national project directors and during the biennium 120 of them were briefed. FAO continued with its six-monthly publication of TCDC/ECDC newsletters. A new document on learning from experience has been completed and will be available soon. TCDC featured in various field-level orientation courses and seminars in most regions. An orientation workshop for enhancing the understanding and upgrading the skills of staff in using TCDC is planned for early 1995. FAO is playing an active role in the follow-up of activities agreed to in capacities and needs matching exercises hosted by India, Nigeria and the Philippines and on food and agriculture.

58. The World Health Organization (WHO) elaborated its TCDC policies and procedures in an interregional consultation on TCDC programming in health, held in Jakarta in February 1993. TCDC is used as a modality in implementation of WHO programmes in all six regions. In Africa, countries have been grouped in nine geographic categories for TCDC activities; while in South-East Asia, thematic areas of intervention, such as human resources development, immunization, family planning, control of diarrhoeal diseases, maternal and child health, nutrition, control of epidemics and supply of essential drugs have been identified. Each regional office has a designated person to handle TCDC. Development of information systems is a priority activity of WHO and partnership between countries is given great importance in it. Transfer of appropriate technology is a major objective of WHO work. Some illustrations are the following: Costa Rica is helping Guatemala in building fibreglass latrines. Ghana is assisting Zambia in cholera-control activities and six Association of South-East Asian Nations (ASEAN) countries are cooperating in the pharmaceuticals industry.

59. A significant volume of the United Nations Educational, Scientific and Cultural Organization (UNESCO) programme involves activities at the regional and subregional levels where the organization works only as a facilitator of primarily TCDC activities. UNESCO supports a large number of networks in all regions. Its support to basic education, technological development and informatics programmes are primarily for enhancement of TCDC.

60. The Conference of the International Labour Organization (ILO) in 1993 made a specific commitment to TCDC and pledged to apply this modality, particularly in the countries in transition. In 1994, the Governing Body of the International Labour Office decided to build an alliance between donors and recipients by, inter alia, promoting inter-institutional cooperation. ILO has constituted 14 multi-disciplinary teams catering to a number of like-minded countries to spearhead activities designed to foster TCDC. The focal point in ILO is in the Promotion of Technical Cooperation Branch, and a system-wide management information system is being worked out to cast light on initiatives designed to enhance TCDC. The TCDC option is systematically being explored with potential ILO recipients prior to launching operational activities. In Asia and the Pacific, nearly all fellowship programmes are carried out within the region. ILO believes that there has been a fairly stable pattern in the application of the TCDC modality. In staff training, TCDC is emphasized by ILO and lately the multi-disciplinary teams are expected to complement sensitization efforts.

61. The restructuring and realignment of priority programme areas has not affected the commitment of the United Nations Industrial Development Organization (UNIDO) to TCDC. The integration of ECDC/TCDC into the Investment and Technology Promotion Division was made in 1992; its subsequent linkage with the International Cooperation and Consultations Service stressed its promotional role in industrial cooperation, especially between developing countries. UNIDO continued to make strategic interventions for promotion of industrial development in the developing countries. In 1993 and 1994 some of the major TCDC activities of UNIDO related to promotion of cooperation between industries in Asian and East African countries, solution of various technical problems of industries in the countries of the Preferential Trade Area for Eastern and Southern African States, promotion of telecommunication industries in Eastern and Southern Africa, acquisition of know-how for the petrochemical industry by countries of West Asia and North Africa, study tours in Asia and Latin America under the Madagascar Forum initiative, visits to Asian newly industrializing countries by Latin American executives and improvement of technology for refractory production in West African countries. UNIDO continues to use more of the training facilities in developing countries and experts from developing countries in its regular technical cooperation programme. As of October 1994, the approval rate of projects with an ECDC component was 19.5 per cent for the first half of the biennium 1993-1994, compared with 21.9 per cent for the first half of the previous biennium.

62. In March 1994, the International Telecommunication Union (ITU) drew up its four-year development programme and earmarked two programmes, namely, improvement of maintenance and development of human resources, for promotion of TCDC. These programmes had earlier been identified as the most suitable for the TCDC modality. A third area also identified by ITU for TCDC is production capacity for selected telecommunication materials and equipment. ITU tries to utilize the services of experts from developing countries in the TCDC modality and has instructed its field offices accordingly. There is a focal point, but it has other responsibilities as well. Applying the TCDC modality is the obligation of those who design and implement projects and the message has been brought home to all staff. ITU has taken specific action to apprise the field staff on the importance of TCDC and its wider application. ITU has substantially increased resource allocation for TCDC, which implies greater use of the modality. In the two years covered by the present report, amounts spent on TCDC from the development budget were 284,000 Swiss frances and Sw F 350,000, claiming 8 and 14 per cent of the budget.

63. The twenty-first Congress of the Universal Postal Union (UPU) called for greater use of the TCDC modality and instructed the Director-General to initiate TCDC-related activities and pilot studies for the purpose of identifying the fields, staff and modalities of execution with a view to effective implementation of TCDC. For the next biennium (1996-1997), UPU has accordingly scheduled workshops, identification of mutually beneficial pairings and evaluation of measures for the promotion of TCDC. UPU has designated the Division for Development Cooperation as its TCDC focal point, but this is only one of the many responsibilities of the Division. UPU does not yet have a system of tracking TCDC activities but contends that TCDC takes place sporadically in activities such as training programmes. A regular system of recording TCDC activities and following its progress will be instituted in 1995.

64. The World Intellectual Property Organization (WIPO) relies more and more on the experience and expertise existing in the developing countries in its technical cooperation activities. It has designated the Director of Development Cooperation and External Relations of the Bureau of Africa as the TCDC focal point. In its own way, WIPO follows the TCDC modality in most of its operations. With contributions from Sri Lanka, it has been holding over the past 10 years regional training courses for participants from developing countries. In 1994, a regional seminar was held with contributions from the Republic of Korea. In 1993 and 1994, of 480 lecturers employed by WIPO, 157 were from the developing countries, and 164 out of 259 expert missions were manned by nationals from developing countries.

65. The United Nations Population Fund (UNFPA) clearly laid out its strategy, policy and procedures for TCDC by issuing extensive guidelines in October 1993. There was no equivocation on giving priority to TCDC in programming UNFPA support for countries. At the country level, detailed measures were delineated for promoting and applying the TCDC modality. The country support teams were instructed to use the TCDC approach in programme/project formulation, technical support and matching the needs and capacities of developing countries. It also strengthened and clarified the role of the Technical and Evaluation Division as the focal point in its headquarters. It also constituted a standing task force for TCDC, with representation from all regional and other headquarters divisions. UNFPA is associated with the initiative launched by a number of developing countries in Cairo last September under the title "Partners in development: a South-South initiative". UNFPA indicates that there has been an increase in projects or components of projects implemented through TCDC. A system to capture the value of the TCDC element in budget estimates is being designed.

66. The use of developing countries' own expertise, facilities and other capacities is a central element in the approach of the United Nations Conference on Trade and Development (UNCTAD) to technical cooperation. Its operational activities are based on, and make full use of, the expertise and capacities in developing countries; but many of its activities are managed and implemented by agencies other than the participating countries. The Technical Cooperation Policy and Coordination Unit acts as the TCDC focal point and it works closely with the Division for Economic Cooperation among Developing Countries. All operational activities of UNCTAD are directed towards securing collective self-reliance of the developing countries, which is the objective of TCDC as well.

67. The Department for Development Support and Management Services of the United Nations Secretariat has continued steadily to incorporate TCDC in its activities since its establishment in 1993. The Department supports TCDC activities with catalytic inputs to TCDC promotion from its regular budget and by incorporating the TCDC element in its field project activities, which are funded by UNDP and other sources and executed by the Department. The Department's TCDC focal point is located in the office of the Executive Coordinator for Programme and enjoys a strategic advantage in promoting TCDC. The Department continues to increase the use of technical resources of the developing countries, including experts, training facilities and equipment, in its operational activities. For example, over half of training-fellowship

placements are in the institutions of developing countries. In the roster of experts and consultants maintained by the Department, over 50 per cent are from developing countries. In 1994, out of 301 experts and consultants placed world wide in projects of the Department, 43.1 per cent were from developing countries. Of equipment used in field projects, 43 per cent was procured in the developing countries. In the areas of mining and the environment, energy conservation, water resource assessment and conservation, economic policy reform, problems of transitional economies and management and public administration issues, the Department organized projects, workshops, manual preparation, training programmes and studies utilizing the TCDC modality. In 1993, in collaboration with the Special Unit for TCDC, it published guidelines for island developing countries in planning for sustainable development and prepared an assessment document on needs and capacities of foreign ministries in transition in the Commonwealth of Independent States (CIS) and the Baltic States as basic documentation for a workshop sponsored by the Department and UNDP in Malta. In 1994, it provided staff support to the UNDP-sponsored capacities and needs matching exercise in Zimbabwe. It also supported follow-up action from TCDC workshops or capacities and needs matching exercises, such as training in aid coordination in Turkey for officials of Senegal and Seychelles, exposure of nationals from Costa Rica and Guatemala to El Salvador's public investment process, and training of nationals from Albania, Azerbaijan, Croatia, the former Yugoslav Republic of Macedonia, Kazakstan, Slovenia, Turkmenistan and Uzbekistan in computer application in Malta.

68. The Economic and Social Commission for Asia and the Pacific (ESCAP), as a regional body, has regional economic and technical cooperation at the top of its agenda. It issued fresh instructions on application of the TCDC modality in May 1994. The restructuring of the Commission made the promotion and application of TCDC the responsibility of all divisions. The Programme Management Division was made the focal point, but it functions more as a liaison office as every division must look out for TCDC options in designing and implementing projects. The Programme Management Division organized a sensitization meeting for selected officials in May 1993. ESCAP organizes biennial training and orientation programmes for senior officials of Pacific island countries in which TCDC features prominently. In the period under review, ESCAP has organized study tours for TCDC focal points of a number of countries for exchange of ideas and exposure to well-organized national TCDC focal points. To the greatest extent possible, the services of consultants and experts from training and research institutions in developing countries are used in the implementation of ESCAP's technical cooperation activities. Overall, it is claimed, there has been an increase in projects that are fully or partially implemented through TCDC. In 1993 and 1994 respectively, 26 and 39 operational TCDC activities were implemented. In 1993, 54 per cent of consultants employed in projects were from developing countries and 76 per cent of institutional contracts made for projects were with institutions in developing countries. In 1994, the performance was even better; 55 per cent and 81 per cent respectively. Funds for TCDC activities are not available from the regular budget except for staff for TCDC. TCDC activities are primarily financed from contributions made by Japan and the Netherlands, as well as from multilateral sources such as UNDP and UNFPA. Recently, China and the Republic of Korea have also provided funds for the purpose.

69. As a regional commission, the Economic and Social Commission for Western Asia (ESCWA) is committed to promoting technical cooperation among its members and it considers its primary role as the coordination of projects for the benefit of all its member States. It is working to strengthen its regional advisory services and making attempts to mobilize funds for TCDC. The focal point for TCDC is the Technical Cooperation Division which has only recently been upgraded into a division of the Commission. ESCWA published a booklet entitled "Country profiles on flow of goods, services and investment with China", with the hope that it would facilitate TCDC between China and ESCWA countries.

2. Institution-building and strengthening and networking

70. One of the recognized means of promoting TCDC is building and strengthening various institutions in developing countries or regions. Such institutions can undertake TCDC whether in the field of training and studies or in expert services and transfer of technology. Networking and/or twinning arrangements strengthen institutions by establishing continuing relationships and regular exchanges between them. Networking can also help both improvement of technology and its dissemination, one of the best examples being intercountry professional associations. The information provided by responding organizations indicates that institution-building in the early stages of the development of an institution may not apply the TCDC modality, but the capacities established in such an institution make a positive contribution to the promotion of TCDC. From this point of view, investment in institution-building and strengthening, per se, perhaps should be covered in the present report.

71. FAO has provided examples of its support of or collaboration with regional and subregional organizations and institutions. Strengthening of human, technical and information resources are the usual areas of support. With OAU, it is working on a framework for a common agricultural programme. This envisages cooperation of all the subregional groups, such as the Economic Community of West African States (ECOWAS), the Preferential Trade Area for Eastern and Southern African States, the Economic Community of Central African States (ECCAS), the Southern African Development Community (SADC) and the Arab Maghreb Union. With ESCWA, FAO organized a training-of-trainers course at the Cairo Institute of National Planning in order to strengthen the capacity of regional and national training institutes in specific disciplines. In the area of food security, the capacity of the Latin American Integration Association is being enhanced. FAO has a long history of support for the establishment and development of networks of institutions (about 140 since the 1960s) in the agriculture sector. Some recent networks that have been set up are plant quarantine networks in the SADC countries, based in Harare; and in the international cactus pear network, in Eastern Africa, based in Dar es Salaam; the international Neem network, based in Mexico; the tropical America and Caribbean information network on sugar cane; and the Asia-Pacific Seed Association, based in Bangkok. In 1994, the Market Information Service for Fish Products in the Latin American Region (INFOPESCA), earlier set up by FAO, became an independent organization based in Uruguay. Many networks held seminars on specific problems, continued exchanges of information and assisted in the transfer of technologies.

72. In 1994, UNESCO announced the creation of an International Fund for the Technological Development of Africa with an initial contribution of $1 million. One of the main purposes of the Fund is to strengthen university and industry collaboration in scientific and technological research. Twinning of universities and establishment of UNESCO chairs made some progress in Portuguese-speaking member States. UNESCO continued to provide technical support to existing networks, such as the regional networks on educational innovation and development and biotechnology.

73. WHO reports that a lack of resources is retarding TCDC operational activities. A successful example of networking is cited as the cooperation of six ASEAN countries in the pharmaceutical industry. In collaboration with the Special Unit for TCDC, WHO is engaged in establishing a network on health learning materials based in Benin.

74. ILO is providing support to regional institutions that are important TCDC actors. The Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR), an institution for vocational training and labour administration in Latin America, and the Arab Regional Programme for Labour Administration (RAPLA), are supported by ILO. It is a partner in a port sector programme in Latin America with countries of the region and UNCTAD. A similar programme is planned for East Africa. ILO's International Training Centre at Turin is to set up a cooperative network with national and regional training institutes in the next biennium. The 14 multi-disciplinary teams referred to earlier are in reality regional networks. The global network on management development (INTERMAN), began as an ILO/UNDP initiative. It is now a network of management development institutions of 72 countries.

75. One of the areas of emphasis in the TCDC/ECDC activities of UNIDO is regional cooperation and interregional exchange of experience and technology. It provides support to regional economic arrangements, especially trade and investment networks or forums. It has been supporting the Forum of Africa of the Preferential Trade Area for Eastern and Southern African States since 1993. It provided support to the Madagascar Forum in 1994. It has been supporting an Entrepreneurship Development Centre in Ahmedabad, India, and is a party to its upgrading as a regional centre in the near future. UNIDO established the Industrial and Technological Information Bank (INTIB) as an information referral service and was planning to decentralize it. Resource constraints have upset the programme and instead greater integration of INTIB with the TCDC Information Referral System (INRES) is now planned.

76. ITU assists national and regional telecommunication organizations, with one of its main functions being to strengthen them. TCDC in this sector is still very limited. ITU has not helped or promoted any network with TCDC objectives.

77. UPU provides technical assistance to national postal systems and national and regional training facilities. It also uses experts from developing countries. But conscious promotion of TCDC is only in an embryonic stage. It plans to set up a network of countries with successful experience in postal reforms.

78. WIPO has assisted in setting up an institution for training in intellectual property laws and administration in Sri Lanka by organizing courses every year for a decade.

79. UNFPA has been assisting national institutions on population planning in all the regions, both governmental and non-governmental; some of them have turned into laboratories for TCDC. The training programmes of the National Family Planning Board of Indonesia is an example of successful TCDC activity. "Partners in development: a South-South initiative" is a network on population planning launched at the International Conference on Population and Development in Cairo; UNFPA's participation in it will strengthen the network.

80. UNCTAD has promoted several networks of great significance to TCDC and ECDC; this has also involved strengthening of national institutions forming these networks. The Programme on Training Development in the Field of Maritime Transport (TRAINMAR) and the Programme on Training and Human Resource Development in the Field of Foreign Trade (TRAINFORTRADE) are networks of national institutions for human resource development. A bolder pioneering move is the establishment of Global Trade Point Network. Trade points are centres of all actors involved in trade transactions in a country or in areas of larger countries. It applies modern information technology to the process of trading. So far 60 trade points have been established and 17 centres have been interconnected using the Internet facility. This network serves as a facilitator of trade and a gateway to international trade.

81. The Department for Development Support and Management Services has been supporting national institutions on public administration in many countries. Its support to professional public administration organizations of various regions began in 1992 and continued in the years under review. The Latin American Centre for Development Administration (CLAD) for Latin America, the Eastern Regional Organization for Public Administration (EROPA) for Asia, the African Association for Public Administration and Management (AAPAM) and the African Training and Research Centre in Administration for Development (CAFRAD) for Africa, the European Institute of Public Administration (EIPA) for Europe and the Arab Administrative Development Organization (ARADO) for the Arab region undertook case-studies and exchanged experiences with support from the Department. It also supported the 13th global meeting of national recruitment services in Cairo in 1993, which devoted special attention to national capacity-building for project management. As a follow-up, the Department organized an interregional capacity-building workshop in Beijing in May 1993 to focus on programme management and human resources development with emphasis on the promotion of TCDC. Furthermore, an interregional workshop was also organized on the management of development programmes for senior officials of States members of the League of Arab States in Tunis in 1994. With initial financing from Italian funds-in-trust, in 1994 the Department began a project to develop and strengthen centres of excellence that can undertake research, development, demonstration, testing, diffusion and assistance in the commercialization of renewable energy technologies and link the centres together in a collaborative network. The Department is currently seeking support to strengthen specific institutions in China, India and the Russian Federation and has plans for strengthening or establishing such institutions in the Middle East and Africa. With funding from the Global Environment Facility, a regional

seminar was held in Lima in August 1994 to train energy managers and exchange experiences on methodologies and techniques to achieve energy-saving in electric power systems and energy end-use. The seminar addressed issues of monitoring and control of the environmental impact of energy use.

82. ESCAP has a long history of supporting regional institutions and networks. Many of them have now become autonomous institutions. At present it is supporting a cooperative body of regional silk and coffee producers. National institutes on remote sensing in China, India, Indonesia and Thailand are receiving ESCAP support in a systematic manner. The Asian Institute of Technology in Bangkok also receives assistance from ESCAP and many of its students from the region are helped by ESCAP travel grants. The Mekong secretariat is supported by both ESCAP and UNDP and it is helping the design and establishment of the Aral Sea Authority. ESCAP also supported the regional network of focal points on demand aspects of drug abuse control, the regional network on trade-related research institutions and the network of focal points of national remote-sensing agencies. It established the Regional Network of Local Authorities for the Management of Human Settlements (CITYNET) and the South Asian Network of Self-help Organizations of Persons with Disabilities.

83. ESCWA is supporting regional institutions through its regional advisory services. It also helps in establishing contacts between regional institutions and centres of excellence in other areas or countries. It has reported its support to the Information Network on New and Renewable Energy Resources and Technologies in the Arab Region. It has taken the initiative in establishing a regional training network in the water sector; a task force has been created to further the formation of the network. It has also published a directory of Arab professional women in the field of TCDC, which will be updated every four years.

3. Other TCDC activities

84. Most organizations of the United Nations development system assisted countries in organizing some of the following activities, either to promote or to apply TCDC. Such activities covered meetings, seminars, workshops, study tours, case-studies, training programmes, exchange of expertise and transfer of systems and technologies, publications and development and maintenance of databases. Some of these activities were undertaken along with UNDP, while others were undertaken only with the support of a United Nations organization working alone or in association with other United Nations organizations, intergovernmental organizations and/or NGOs. In the following paragraphs a summary of such activities undertaken without UNDP participation is provided, while all activities undertaken with UNDP support are reported in the following part of the chapter.

85. FAO organized a large number of meetings, seminars, study visits, training programmes and workshops for exchange of ideas and experiences, as well as to learn and develop common approaches to problems. To cite a few, in 1993 it held a regional workshop for training of trainers in rural radio in Ouagadougou; sent two experts in development support communication from the Philippines to Nepal; and held a regional workshop along with the Near East-North Africa Regional Agricultural Credit Association (NENARACA) on land tenure in Arusha.

In 1994, it organized the visit of four senior Zimbabwean agricultural officials to South Africa; a round table of experts on women, population and environment in Bangkok; a workshop on barriers to the application of forestry research results in the Asia-Pacific region; a Nigerian visit to India to study processing of paddy and sugar cane at the farm level; a workshop on rural finance in Beirut; a subregional workshop on a specific problem in agro-forestry in the United Republic of Tanzania; and a workshop in Croatia on animal health services in Central Europe. FAO not only participated in capacities and needs matching exercises held on food and agriculture but, as noted earlier, is taking follow-up action. The support to networks that FAO provides also leads to many workshops and exchange of experts. In the area of information, FAO has been very active. Besides the newsletters, there were some major publications in 1993, such as the directory of forest research organizations, with 600 listings from 108 countries; two compendiums on agricultural research systems, one for 17 Caribbean countries and another for 23 West and Central African countries; and a publication on the situation of rural women and their institutions in Latin America and the Caribbean. FAO's well-established fishery information system, coupled with the regional networks on fisheries, continues to provide support to the developing countries. The International Information System for Agricultural Sciences and Technology (AGRIS) and the Current Agricultural Research Information System (CARIS) are now in their twentieth year of operation. The AGRIS bibliographic database receives about 120,000 entries a year from 155 countries and CARIS currently contains descriptions of 30,000 agricultural research projects. Linkage of these information systems with the user-friendly TCDC-INRES database is very important.

86. WHO supported TCDC meetings, seminars and workshops and arranged training programmes in developing countries. Four notable examples are support to the meeting of ministers of health of the Movement of Non-Aligned Countries in Jakarta in 1993, the meeting of non-aligned and other developing country ministers of health in Geneva in 1994, a meeting of Portuguese-speaking countries on mental health in Mozambique in 1993 and an informal meeting on health systems development in Lusophone countries of Africa in 1994. On the subject of aid management for the health sector, a seminar was supported in Ottawa in 1994. WHO has established a computerized network of partners for health reforms in collaboration with UNDP.

87. One of the important initiatives of UNESCO is the basic education programme of the nine largest developing countries, launched in 1992 with the United Nations Children's Fund (UNICEF). In December 1993, a summit meeting in this connection was held in New Delhi, with the support of UNICEF and UNFPA. UNESCO is the secretariat for all follow-up action. In February 1995, UNESCO organized a forum of all parties in national decision-making, including politicians, the private sector, NGOs and academia, in Paris to reflect on strategies for sustainable development in Africa. UNESCO is to follow up on the "Audience Africa" forum. UNESCO also organized a number of training programmes mainly in the Africa region. It strengthened the INFORMAFRICA programme and similar arrangements in the Latin America and Asia-Pacific regions. It also assisted the conference on social sciences and the transition to democracy in the Portuguese-speaking member States of Africa. A regional workshop on women working in the informal sector was supported in Benin in 1993.

88. ILO reports organizing a workshop designed to help small entrepreneurs of eight West African countries through exchange of information on locally available construction materials and processes.

89. UNIDO organized a large number of training programmes, study visits, technology-specific workshops, expert services and information exchange for both promotional and operational TCDC activities. In 1993, it organized nine workshops on the cement industry in various regions and employed experts from developing countries to provide service to failing industries in other countries. On pesticides, it organized seminars in many countries of Asia focusing on quality control, environment-friendly methods and products and application technology. It also organized expert-group meetings on various industries, such as know-how in the petrochemical industry, processing of medicinal plants and the direct reduction processing of iron ore. It arranged visits by a high-level mission from India to East Africa to promote technical and investment cooperation. A workshop in Rio de Janerio on computer applications for the textile and apparel industry resulted in cooperation agreements between Brazil and a host of other countries. Activities in 1994 included study tours and training programmes for East African investment promotion councils to selected countries in the Asia and Latin America and the Caribbean regions. Chief executives from Latin America were exposed to Asian industrial units. Workshops were held on sugar cane diversification in Indonesia, timber structural design codes in Brazil, quality management in software development in India, refractory production in Ghana and mini-cement-plant technology in China. Cuba conducted a regional training course on industrial utilization of medicinal and aromatic plants. Costa Rica held a seminar on industrial policy for the region. UNIDO continued to maintain INTIB, but most data are now being fed to TCDC-INRES.

90. Invoking the TCDC modality, ITU undertook training programmes during the period under review including course development (20 activities); studies (10 activities); seminars and meetings (21 activities); and actual modification or installation of systems and technologies, such as management information systems, computerized billing, cellular telephone systems, optical fibre transmission and frequency management (44 interventions). For 1993, the programme expenditure was Sw F 231,002 and for 1994 it is estimated at Sw F 438,580.

91. UPU reported only one activity, a regional workshop in association with the Special Unit for TCDC in Thailand (see para. 132 below).

92. WIPO held seminars, meetings and training workshops and fielded expert missions. Two seminars in Sri Lanka and one in the Republic of Korea were held with financial support of the host countries.

93. UNFPA reported that it holds meetings, seminars and workshops in all countries for the purposes of identification, formulation and implementation of operational TCDC activities. Two specific and significant activities in 1994 were cited; support to the meeting of South Asian Secretaries for Health and Population under the South Asian Association for Regional Cooperation (SAARC) initiative and assistance in the procurement of raw materials from China for

production of oral contraceptives in India. UNFPA supported a publication on successful population planning experiences in several countries.

94. Besides joining hands with UNDP in several TCDC activities, the Department for Development Support and Management Services supported many workshops, seminars, training programmes and study tours in promotional and operational TCDC activities executed by it. The Department implemented many project components with the TCDC modality in IPF-supported projects on public administration reforms and the water sector in Viet Nam, the petroleum sector in Chad and economic management in Burkina Faso, and in regional programmes on energy in Latin America, the environment in the coal-mining sector in Central Asia and Eastern Europe, national investment regimes in central America and macroeconomic modelling and analysis in western Africa. In its own programme, the Department held many workshops and seminars in 1993, including, mining and the environment in collaboration with UNEP in Zambia; environmental management in mining in Namibia; development of small and medium-scale industries in Zimbabwe; computer applications for groundwater assessment and management in cooperation with ESCAP in Thailand; the macroeconomic impact of public investment in Senegal; river valley development in Mali; capacity-building in project management in China; economic restructuring and environmental management in the coal and mining sector in Turkey; public expenditure policies in Honduras; economic management reform in transitional economies in Kyrgyzstan; and an ad hoc expert group meeting on foreign direct investment in the newly opened economies in Central and Eastern Europe in Bulgaria. Training programmes in the energy sector were organized in Latin America and in national investment systems in El Salvador. Vietnamese nationals were taken to Thailand for training in water resources and to Thailand and the Philippines for exposure to public administration reforms.

95. ESCAP has furnished a list of 32 promotional activities in addition to 55 operational activities undertaken in the period under review. Among the operational activities are 21 study tours, 20 training projects, 9 meetings, 9 fellowships including a number for trainees in Singapore under the capacities and needs matching accords of 1992, and 6 cases of actual transfer of systems and technologies. Among the promotional activities are 12 meetings of experts to develop approaches or define areas of TCDC, 5 visits to promote TCDC between countries and institutions, 8 seminars and 4 studies to promote TCDC, and 2 training programmes. Among these activities there were some specifically tailored to the needs of transitional economies, for whom a few additional projects like feasibility studies and round-table discussions were implemented.

96. ESCWA organized a regional symposium on water use and conservation in 1993. It held a meeting of the Arab Organization for Agricultural Development in 1993 to discuss support for the agriculture sector in the occupied Palestinian territory. With participation from UNDP and the Arab Contractors Training Institute, it organized a regional workshop for training of trainers in starting one's own business.

B. Progress made by UNDP

97. The regional bureaux of UNDP and other units affiliated with the Programme were invited to provide, for the reporting period, information on the level of utilization of the TCDC modality. As detailed reports on particular activities were expected from the country offices, the headquarters units were to pay special attention to information on instructions issued or monitoring arrangements undertaken to ensure greater use of the modality. They were requested to identify major operational constraints and provide recommendations for change or improvement to overcome such constraints. In addition, they were asked to provide information on regional activities and statistical data on TCDC activities. Information on three issues with special significance for South-South relations were also solicited: successful TCDC experiences; TCDC involving transitional economies; and use of regional and subregional mechanisms for TCDC. While collecting information from other units, in the Special Unit for TCDC itself a full review of activities supported during the period under review was carried out.

98. In preparing the report on progress made by UNDP in promoting and applying TCDC and contributing to South-South cooperation, the reports received from countries, intergovernmental organizations, NGOs and other United Nations organizations have all been taken into account. This chapter of the report is presented in two sections: the first describes action by the headquarters units other than the Special Unit for TCDC and the second details activities supported by the Special Unit.

99. UNDP began committing programme funds for both promotional and operational TCDC activities only in 1983. Prior to that, most activities were confined to information support and meetings to spread the word on TCDC. Reporting on TCDC activities has proven to be a rather complex task. Presently, from country IPF resources most TCDC activities are supported under a number of TCDC umbrella projects. Some IPF-funded projects do contain TCDC components, but these are not accounted for since TCDC elements within an overall project are often not captured properly, there being no separate budget line or other methods currently in practice to pinpoint these interventions. In the regional programmes, the TCDC modality is used much more and some of it can be accounted for as well. The Special Unit for TCDC provided comprehensive financial statistics for the use of special programme resources funds. In the past, estimates on resources devoted to TCDC by UNDP and the United Nations system were made on the basis of criteria established by individual organizations and offices. The High-level Committee at its seventh session, in 1991, in decision 7/5 recorded dissatisfaction with statistical information provided in the reports and recommended that future reporting should be based on the uniform criteria for TCDC activity established by the Group of Governmental Experts. In the present report, an attempt has been made to estimate the use of UNDP programme funds in the biennium 1993-1994, applying strictly the uniform criteria, and it arrives at close to $35 million, including about $5 million of special programme resources funds.

1. Activities supported within UNDP other than by the Special Unit for TCDC

100. The Regional Bureau for Africa reports that since the adoption of TCDC as one of the six areas of concentration by UNDP there has been an increase in the use of the TCDC modality, particularly in the technical resources of the region for technical cooperation activities in the countries of Africa. The two important features of this development are (a) cooperation between countries in short-term group training, on-the-job training and study tours; and (b) the use of consultants and experts from within the region in various projects. The expanded local Project Approval Committees at the country level and division and bureau level Project and Programme Approval Committees at headquarters have consistently emphasized the incorporation and utilization of the TCDC modality. The normal pattern is for project components in traditional technical cooperation programmes to be implemented through the TCDC modality. The main monitoring tool has been the project/programme approval check-list, which provides for review of the feasibility of using the TCDC modality.

101. The regional programme is an important vehicle for TCDC. The three themes of the Regional Bureau for Africa's regional programme are (a) regional cooperation and integration; (b) long-term strategic planning; and (c) fostering human development. The regional programme as a whole promotes cooperation between African countries using regional and subregional institutions. Several regional and subregional mechanisms have been utilized informally in support of TCDC activities in the Preferential Trade Area in Eastern and Southern African States and in SADC. Interventions involve, among other things, trade, finance and transportation. Mechanisms for intra-African trade promotion, including trade and investment information systems, and regional and subregional trade organizations, including business associations and clearing houses, are some of the programmes being supported. A major regional TCDC programme on food technology transfer is described in some detail below.

102. The Bureau has made the following recommendations for promoting TCDC:

(a) In the view of the Bureau, the TCDC concept could be clarified if the use of technical resources of developing countries in projects and implementation of components of projects in the TCDC modality were included in the description of what constitutes a TCDC project;

(b) TCDC umbrella projects from IPF resources should be considered in order to expand TCDC activities that are hindered by lack of small resource input;

(c) NGOs and the private sector should be increasingly involved in technical cooperation activities;

(d) Foreign investments in a developing country from other developing countries should be especially encouraged, automatically enhancing TCDC;

(e) National TCDC focal points should be placed in a strategic decision-making position in the national development organizations of the countries.

103. The Regional Bureau for Arab States reports that in the regional programme there are a number of projects for South-South cooperation and for solving common problems of the region, although not all of them involve the TCDC modality. The areas of concentration in the Bureau's regional programme are (a) sustainable human development; (b) economic integration and trade promotion; and (c) sustainable energy development. Many of these activities involve use of regional organizations such as the Arab Monetary Fund, the Arab Organization for Agricultural Development, the Gulf Cooperation Council, the Arab Trade Financing Program and the League of Arab States.

104. In the Arab regional programme there are several activities relating to cooperative effort in food production. The network for supplementary irrigation and improved water management at the farm level is an attempt at enhancing collective research and extension capacity in five North African and four Middle Eastern Arab countries dependent on irrigation. The programme to increase productivity of barley, pastures and sheep in Iraq, Jordan and the Syrian Arab Republic; the programme for range management in a few selected countries; the programme for control of diseases in fruit crops covering seven countries; the sorghum and millet programme in five countries; and the programme for oil-seed crops in Somalia, the Sudan and Yemen are all directed towards collective measures for research and improvement in food production. A number of activities are being supported under the economic integration and trade programme. For example, the Arab Trade Financing Program has set up a trade information network. Capacity-building in the Arab Maghreb Union secretariat on matters of trade and investment relations is the objective of another activity. A third activity for expansion of trade within the region has been undertaken with support from the Special Unit for TCDC and will be discussed in the next section (see para. 133 below).

105. For promotion of TCDC and enhancement of the use of this modality, the Bureau has made three recommendations. First, UNDP should internalize the TCDC modality as an implementation tool to be considered for all projects at the design and appraisal stages. Secondly, workshops for exchange of experience on specific topics should provide for some follow-up mechanism for transfer of the technology on a bilateral basis. Thirdly, as with UNV and TOKTEN, a modality may be put in place for the use of experts under TCDC.

106. The Regional Bureau for Asia and the Pacific reports that the emphasis on national execution and strengthening of the capacities of regional and national institutions has substantially expanded the use of the TCDC modality. About 60 per cent of the Bureau's regional programme is applying the TCDC modality and South-South cooperation in the region has witnessed a phenomenal rise. The Bureau prepared a report on South-South cooperation and the initiatives, opportunities and challenges for UNDP in the Asia-Pacific region in November 1994. It also issued fresh instructions on giving TCDC first consideration as a development modality.

107. Most of the regional programmes are executed by regional institutions and by and large they are TCDC efforts. Nine projects on transport and communications, fisheries, food security, water supply and sanitation, civil aviation and the power sector in the Pacific islands are all executed by regional bodies such as the South Pacific Forum and the South Pacific Commission

and many components apply the TCDC modality. A major regional programme on macroeconomic reforms is being executed by the Korean Development Institute of the Republic of Korea and Hainan Institute of China, while another programme in the area of energy and environment is being executed by ESCAP with one component having been entrusted to the Asian and Pacific Development Centre, located at Kuala Lumpur. This latter programme has as one of its principal objectives the promotion of TCDC among the participating countries in various energy and environment issues.

108. In the Asia-Pacific region, a number of significant regional cooperation programmes are supported by UNDP. Assistance for the establishment of the Regional Cooperation Organization, an intergovernmental body comprising Afghanistan, the Islamic Republic of Iran, Pakistan, Turkey and six CIS Central Asian countries is being provided. The support will draw heavily from the lessons UNDP learnt two years ago in assisting the reorganization of ASEAN. The ASEAN secretariat is trying to set up a programme management system with UNDP support.

109. A second initiative is the North-east Asia subregional programme, covering China, the Democratic People's Republic of Korea, Mongolia and the Republic of Korea. Initially it will be an environmental cooperation programme dealing with temperate zone cropping, coal combustion and air pollution problems. The programme was launched in February 1993 and 12 project proposals have now been developed in two areas: capacity-building; and ecosystem management. The issues for urgent action have also been identified, as forest and grassland degradation, sustainable development of Russian Far-east forests, biodiversity loss, watershed degradation and issues arising from economic integration.

110. A collaborative effort for the Tumen river basin brings together five countries in a shared strategy for the promotion and development of an area in North-east Asia along the Tumen river. The programme has also provided a neutral forum for discussion and agreement on a set of legal and institutional arrangements between China, the Democratic People's Republic of Korea, Mongolia, the Republic of Korea and the Russian Federation necessary to facilitate the development and oversee it. A Programme Management Committee was established in July 1994 and agreements are being worked out to set up a consultative commission, a coordinating committee and a secretariat. UNDP is providing a neutral chair for negotiations and general proceedings as needed. The tasks ahead include preparation of investment profiles, pre-feasibility studies, environmental policy, resource mobilization strategies and border and customs procedures.

111. UNDP is currently providing institutional support to the Mekong secretariat, which includes assistance in finance and administration and for studies pertaining to sustainable utilization of Mekong river waters. Owing to the changed political situation in South-east Asia, in particular the signing of the Paris Peace Accords in 1991 and the eventual re-establishment of a democratically elected Government in Cambodia, the four riparian States, i.e., Cambodia, the Lao People's Democratic Republic, Thailand and Viet Nam, approached UNDP in 1992 with a request for support aimed at facilitating the negotiation of a new agreement for the Mekong river basin. UNDP chaired five meetings of the Mekong working group and in November 1994 a new agreement was

initialled which is now due for signature. This agreement is expected to strengthen along TCDC lines cooperation between the four riparian States in ways that will ensure the sustainability of the resource for both present and future generations. UNDP has been providing the Executing Agent for the Mekong Committee and is expected to help underwrite the cost of the newly created position of Chief Executive Officer of the Mekong Commission.

112. Another noteworthy regional programme is the Caspian initiative for preparing a plan for resource management and the conservation of biodiversity in the Caspian Sea. UNDP is playing the catalytic role in a joint fact-finding mission consisting of the United Nations Environment Programme (UNEP), the World Bank and UNDP. A concept paper for intergovernmental cooperation for an integrated environmental management plan for the Caspian Sea is presently being prepared. This is a pioneering effort in the field and it has the potential for replicability elsewhere.

113. The Bureau has other regional programmes on South-South cooperation, such as international trade and investment cooperation, cooperation in science and technology, cooperation in poverty alleviation and cooperation in forestry. In some of these activities, other United Nations organizations and agencies are participants. Some of the activities under these programmes utilize the TCDC modality. In areas such as the SAARC poverty alleviation initiative, trade cooperation in ASEAN, the economic relations of ASEAN with neighbouring countries (Indo-China) and expansion of trade and investment in SAARC, UNDP support is provided entirely for TCDC.

114. The Bureau has suggested four measures for promotion of TCDC in the immediate future: (a) instituting a regular monitoring and reporting system in the country offices on use and issues of TCDC; (b) concentrating on programme activities for sustainable human development that lend themselves to TCDC; (c) increasing emphasis on capacity-building in UNDP-supported programme activities; and (d) continuing to advocate South-South cooperation as the central tenet of UNDP operations.

115. The Regional Bureau for Latin America and the Caribbean furnished a report on TCDC in the Central American region detailing the progress of regional cooperation, which has relied on the financial support of UNDP through the Special Plan of Economic Cooperation for Central America. The Plan operated from 1988 through 1994 to support the peace effort in the region launched by the five Central American Presidents in 1987.

116. The Permanent Secretariat of the General Treaty on Central American Economic Integration acted as the technical secretariat for all Special Plan forums and a Committee of Vice Ministers took the responsibility to process and approve all projects under the Plan. For various projects, a number of regional institutions or executing mechanisms were set up or used, implemented by experts and panels from the region. For example, projects for sustainable development and the environment sector were executed by the Central American Commission on Environment and Development, established in 1990. The Commission prepared the regional plan for sustainable development that was presented to the United Nations Conference on Environment and Development in Rio de Janeiro.

117. The Tropical Forestry Plan of Action for Central America is an example of a successful TCDC activity. Executed by the Central American Commission on Environment and Development, it incorporated indigenous people, networks of women and forestry agencies of regional countries and was in a position to mobilize external resources for implementation of a forestry action plan.

118. Institutional strengthening came about as projects under the Special Plan were designed and implemented by regional organizations with regional expertise. The Central American Bank for Economic Integration has been restructured by local efforts, is now a functioning institution and has succeeded in attracting shareholders from other regions as well, for example Mexico, Taiwan Province of China and Venezuela. The same is the case with the Central American Fund for Monetary Stabilization. Institutional support has also been given for the development and integration of electricity in Central America. For the telecommunication sector, the Technical Commission for Telecommunications in Central America (COMTELCA) emerged as a regional institution and put together 40 projects, including some regional projects, which provided for regional integration as well as development of the sector in individual countries.

119. In 1993, a regional programme for social development and poverty alleviation was adopted. Headquartered in Honduras, the programme has national components that are being implemented by national officers within the framework of horizontal cooperation. National plans of action within a regional framework have been prepared for human development under the Agreement of Tegucigalpa.

120. In every sector - energy, transport, health and food security, public service training and agriculture - regional institutions have emerged and regional frameworks for development have been prepared.

121. The United Nations Development Fund for Women (UNIFEM) reports having applied the TCDC modality in many of its activities and holds the view that they have been very fruitful. It is committed to a more systematic application of TCDC. In the Africa region, UNIFEM has organized exchanges of expertise and use of training facilities of the developing countries in some of its activities. Ghanaian technologists have extended cassava processing in Cameroon and a Kenyan NGO has imparted training in micro-enterprise to nationals in Malawi, South Africa and Swaziland. The United Republic of Tanzania is linking with Kenya and Zimbabwe to develop the capabilities of its NGOs. Management training institutions in Cameroon, Senegal and Tanzania are sharing gender training skills. In Asia, a regional training workshop was organized in Bangladesh in February 1993 for a group of managers of credit and income-generating projects. Another global workshop on women and credit was organized in Jordan in November 1994. In Latin America, besides a project on women and food technology supported by the Special Unit for TCDC (see para. 132 below), a regional seminar on women and small-scale enterprise was held in Ecuador in July 1993. These gatherings disseminated the ideas and technologies of one developing country to another and germinated the seeds of further TCDC. UNIFEM is a partner in an important network for women and development. The International Coalition on Women and Credit is a body of 26 organizations (16 from developing countries).

2. Activities supported by the Special Unit for TCDC

122. The programme of work of the Special Unit for TCDC in the two years under review was less than originally planned owing to a 30 per cent reduction in its special programme resources allocation. The momentum built in 1993, however, was maintained and many activities were executed successfully in all the regions. A positive development is the modification and technological updating of the TCDC-INRES database, which can now be easily accessed by all the country offices of UNDP, the national focal points of most countries and other users, including the United Nations system organizations. Another major move is in the area of strategic interventions by the Unit in promoting TCDC, as reflected in its contribution to the ASEAN-Africa cooperation initiative, preparation of a strategy for small island developing States, instituting the Group of 77 TCDC award and provision of substantial inputs to the Fourth World Conference on Women.

123. The various activities supported by the Special Unit for TCDC are discussed below.

TCDC focal points and sensitization

124. In the strategy for TCDC for the 1990s endorsed by the High-level Committee at its 1993 meeting, guidelines on setting up TCDC national focal points and articulation of national policies on TCDC were systematized. This was widely disseminated to all countries and United Nations agencies and organizations. The Special Unit helped in strengthening of units in Governments to focus on TCDC/ECDC and articulate national policies in this respect through organizing regional meetings of focal points and orientation workshops. Regional meetings of focal points were held in Ethiopia in February 1993, in Sri Lanka in April 1993, in Turkey in July 1993 (in which CIS countries also participated), in Venezuela in August 1993, and in Bolivia in May 1994; the last two being organized by SELA. A meeting of the agency focal points was also held in Geneva in July 1993.

125. Building of consciousness in the South for mutual economic and technical cooperation is essentially a job for the countries themselves. The Special Unit for TCDC has assisted countries in organizing workshops and training programmes for sensitization of relevant personnel, both within and outside the Government, on the need, value and opportunities for mutual cooperation. With support from the Special Unit, sensitization workshops were held in the Libyan Arab Jamahiriya in February 1993, in Ethiopia in February 1993, in Belize in March 1993, in Nigeria in September 1993 and in Zambia in October 1993. In March 1994, a unique interregional conference was held in Sierra Leone, in which African NGOs gathered to strengthen South-South cooperation. As a matter of policy, TCDC sensitization activities have largely been decentralized and national trainers have been trained to undertake them.

Capacities and needs matching exercises

126. Five capacities and needs matching exercises were held during the reporting period. In 1993 there was only one such exercise, held in Kampala, devoted to industry and support services with 12 countries participating. Accords were

made for 129 activities between various countries, in a large number of which Uganda was the recipient of expert or advisory services and training opportunities. Uganda has reported that, after an initial delay, implementation of the activities has begun.

127. Examples of unisectoral capacities and needs matching exercises were the mineral sector in Harare in April, with 19 participating countries and rural credit and poverty alleviation in Comilla, Bangladesh, in September, with 22 participating countries. A multi-sector capacities and needs matching exercise on agriculture, rural development, water resources and technology was held in Abuja in January, in which 22 countries participated. For the Myanmar exercise, the responsibility for preparation of compendiums and development of matching proposals was entrusted to a regional NGO, the Network of Aquaculture Centres in the Asia and Pacific Region, based in Bangkok. In all other cases, the Governments and their designated institutions organized and conducted the exercises. Activities agreed to in the exercises numbered 275 for Abuja, 73 for Harare and 238 for Comilla. Implementation of activities has also started in Nigeria.

128. A capacities and needs matching exercise helps the identification of needs and capacities of countries and provides for cooperation in training, transfer of experiences and technology and exchanges of expert and advisory services between developing countries. It also develops negotiating capability and communication skills of economic actors in the developing countries and is judged generally to be a valuable mechanism for human resource development and achievement of national self-reliance.

129. The capacities and needs matching exercise has also become a forum for discussion of mutual problems and exchange of ideas on them, as happened in Comilla and Yangoon. Presentations on successful credit operations for the poor was of great value to the participants in Comilla. Discussion on women in fisheries, the private sector in fisheries and sustainability of aquaculture featured prominently in the exercise in Yangoon. The process needs strengthening, especially in respect of the monitoring of implementation and evaluation of the process and its end results. The Special Unit for TCDC is taking action to rectify the situation. Many of the agreed activities are not executed because parties fail to mobilize the relatively small amount of financing needed for them.

Subject-specific workshops and meetings

130. In 1993, a total of 22 workshops and seminars and in 1994 another 15 were supported by the Special Unit for TCDC. In some of them, there were other parties supporting these activities, such as the regional bureaux of UNDP, UNIFEM, the Department for Development Support and Management Services, UNCTAD, ESCAP, UPU, SELA and IOM. The workshops under the fifth cycle subprogramme are very well-structured. Pre-meeting documentation is carefully prepared, participants are well-selected, and the reports that are produced are of high technical value and are often issued as operational manuals and handbooks. The guiding philosophy behind these workshops is that they are a catalytic stimulus to a more sustained process of development.

131. During the reporting period, workshops have been held in computer training (1), commercialization of fruits of research (2), external debt (2), aid management (3), energy planning (2), science and technology for development (2), South-South trade (2), international migration (1), primary health care (2), urban problems (1), traditional technologies (vegetable dyes, textile crafts, grass-roots sanitation, survival strategies and indigenous food technology) (5), carp culture (1), halophytes in agriculture (1), medicinal plants and ethno-botany (1), privatization (1), micro-economic policy (1), investment cooperation (1), aerial photography (1), postal legislation (1), small islands development (2), human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) (1), TCDC strategy (1), spare parts reconditioning (1), and NGO capacity (1).

132. Problem, technology or system-based cooperation between organizations and enterprises is promoted through symposia, workshops or awards. For example, an award programme jointly instituted with UNIFEM is supporting an NGO effort for development and adaptation of food technology in Andean communities; two contests have so far been organized, one in 1992 and another in 1994. A workshop on textiles of indigenous women in Guatemala in 1993 resulted in a regional plan on indigenous crafts. A workshop on spare parts reconditioning in 1993 in Cuba resulted in training courses in Venezuela, and agreements between enterprises in Brazil, Egypt, India, Mexico and Venezuela. In 1994, along with UPU, the Special Unit for TCDC supported a workshop on postal legislation and restructuring of the postal system in Bangkok; UPU is considering establishment of a network of postal administrations that have successfully carried out reforms in order to transfer the skills to other countries.

133. In April 1993, a workshop was held in Abu Dhabi for trade development in the Arab region. This activity was supported by many organizations, including UNCTAD, the Department for Development Support and Management Services, the Arab Monetary Fund and the Arab Trade Financing Programme and resulted in a regional programme discussed earlier. In March of 1994 the Special Unit for TCDC in collaboration with UNIDO held the first investment round table in central Asia. In this round table, held in Uzbekistan, 14 countries participated and relations between enterprises were established.

Capacity-strengthening

134. The work in relation to focal points and sensitization constitutes another contribution to strengthening the capacity for TCDC. Support to regional and national institutions of research and training by the United Nations development system has also been a capacity-strengthening effort. Specifically, TCDC capacity-strengthening initiatives of the Special Unit for TCDC have remained concentrated on assisting networks for various purposes.

135. In 1993 it assisted the NGO network GROOTS (Grassroots Organizations Operating Together in Sisterhood) in expanding throughout Central and South America. The same year, it also helped the All-Africa Consultation on Striga Control to assemble in Harare. In 1994, four networks received support from the Special Unit. These are a rural development network where members gathered in Mexico to forge links with African countries; a health learning materials network that is being established in Benin with WHO help; the African-Latin

American initiative, which is trying to set up twinned regional institutes in the two regions; and the large-scale effort launched in Hangzhou in December to establish a network on small hydro-power, incorporating 32 institutions across the globe.

Studies and evaluation

136. In 1993, the Special Unit for TCDC supported seven studies of different kinds. Some of these studies supported parallel activities, such as workshops and networking. The first study completed was on the TCDC strategy for the 1990s and the end-product was presented to the High-level Committee at its 8th meeting. As adopted by the Committee, this is the strategy that is now being followed in the United Nations development system. The case-studies on successful partnership to address poverty and development have been completed, and in July 1994 they were reviewed in Harare. Follow-up activities of publication and dissemination remain to be done, however. Chile's study on aid coordination is also complete and its publication and review are awaited. A macroeconomic policy study has been the global coalition for Africa project. The Special Unit supported this activity with the preparation of a policy paper for a seminar held in Benin in June 1993.

137. Three studies are still continuing. An interesting initiative is inter-university collaboration in research on development policy. The programme was launched in July 1993 under the sponsorship of Addis Ababa University and will be completed by the end of this year. This is the first African initiative in this field and it is likely to generate ideas for the solution of common problems as perceived by a group of collaborators from the South. The Special Unit for TCDC is also supporting an initiative for border country multisectoral cooperation and integration, in which Argentina, Bolivia, Chile and Peru are involved. A meeting of mayors launched this programme in the last quarter of 1993. The programme seeks to set up an information network and promote collaboration, mainly in the private sector. The collaboration sought is not only in trade, but also in other sectors such as education, tourism, health and culture. The attention is focused on three main issues, namely trade, the environment and privatization. The other subject is a Pacific basin initiative started originally in Colombia and now based in Chile.

138. In 1994 there were two major interregional initiatives, one of which had been formally instituted in 1993. Cooperation in ethno-botany between Africa and Asia is supported by a small award programme initiated in 1993; in 1994 two awards have been issued to a Brazilian and an Indian institution to undertake a joint research programme. The other one is a highly innovative TCDC activity that is being supported by other units of UNDP such as the Regional Bureau for Africa and the Division of Science, Technology and the Private Sector. The aim of the food technologies transfer and private investment promotion effort is to bring together entrepreneurs, researchers, financiers and policy makers to transform research results into commercial ventures. An NGO in Kenya has prepared a source book for successful technologies, which will be used in a programme of sensitization and mobilizing venture capital. The programme envisages an exhibition of consumer products, a workshop for entrepreneurs and researchers, training sessions on intellectual property rights and ultimately joint ventures.

Publications

139. In 1993, the Special Unit for TCDC published two fliers entitled "What is TCDC?" and "Introducing TCDC-INRES". It also produced a booklet entitled "Major decisions on TCDC in 1992-1993". This publication was designed to disseminate information on Economic and Social Council resolution 1992/41 of 30 July 1992, which called for just consideration to be given to use of the TCDC modality, decisions of the 8th meeting of the High-level Committee, and the strategy for the 1990s. A number of country compendiums of capacities was also published. Two issues of Cooperation South and one issue of the TCDC Focus newsletter were also published.

140. Several country compendiums of capacities were published as the country studies were concluded, and preparations were completed for some major publications that will be available at the time the High-level Committee meets. These publications are (a) a reissue of the Buenos Aires Plan of Action; (b) publication of the booklet entitled "TCDC: from concept to action"; (c) a new compilation of major decisions relating to TCDC entitled "TCDC: basic documents"; and (d) another new publication on the concept, advantages, problems, mechanisms and practices of TCDC entitled "TCDC manual: practices and procedures".

TCDC-INRES

141. The information referral service has undergone substantial changes in the past two years. In order to modernize INRES and increase its usability, the Special Unit for TCDC started the conversion of the main database to a Microsoft windows-based system in 1993 and completed the work in late 1994. The Special Unit has also made significant efforts to bring about qualitative improvements in the TCDC-INRES database in terms of its institutional coverage and the currency of the data it contains, by intensifying the data collection process at the field level. All registrations are being carried out in the field; 32 country studies have been completed and 25 others are in progress. A system has been put in place to update data every three years. Outdated data have been discarded and, as a result, the present entries number only 2,300. To intensify the dissemination of information on the capacities of developing countries at the global level, the Special Unit distributed the database packaged as INRES-Lite in late 1994. This software package has so far been distributed to about 400 sites, including UNDP country offices, United Nations organizations, national TCDC focal points, the regional commissions and selected NGOs. This release represents a quantum leap in making the INRES information widely available and easily accessible. Measures are in hand to provide world-wide and real-time access to INRES by placing it on the Internet super highway, which currently has a clientele of at least 20 million users.

142. The database contains several training facilities in a wide spectrum of fields relevant to developing countries, namely, education, agriculture, social services, health, architecture, management, training and information technology. Efforts are being made to continue to expand the database and widen its coverage of countries as well as expertise. To improve further the usability of INRES for promoting the TCDC modality, the new directions of the Special Unit for TCDC has proposed the expansion of the database into a multi-dimensional system that

would include data on individual experts of developing countries, centres of excellence and successful TCDC projects suitable for replication in other developing countries.

143. Many agencies and organizations of the United Nations system have their own information storage. FAO has documented many successful technologies of the South. UNIDO has useful information on the industrial sector as a whole and INTIB was a good database until recently. On the environment, a wealth of information will be compiled on the sustainable development network (SDN). Many organizations have rosters of experts at the national and regional levels. TCDC-INRES is now in a position to incorporate a great deal of this information and make it easily available to users. The commissioning of the trade information network of the Group of 77, long supported by the Special Unit for TCDC and now being pilot-tested with Egyptian input in 10 centres, will add to the information revolution in the South. The power of easily accessible and well-checked information can do a whole lot more for TCDC and ECDC than anything else.

144. Institutions and professional associations in developing countries can supply information for registering their capacities with the database by filling out forms available with the UNDP resident representatives in the field or the Special Unit for TCDC in New York. People or institutions interested in information on any kind of capacity in the South can seek it from the Special Unit in New York. Now the queries can also be directed to the UNDP resident representatives and national TCDC focal points. There is a standard form available with UNDP for making such inquiries, although they can be framed in any way the inquirer wants.

Some new approaches

145. The Special Unit for TCDC has developed an approach that supports activities seeking to arrive at solutions for dealing with common problems faced by many countries. Such activities include case-studies, subject-specific workshops, joint negotiations and collaborative research. This is not only South-South cooperation, but also a very efficient method of dealing with problems with the help of relevant experience and appropriate technology. Some of the subjects are of nearly universal interest to the South.

146. Aid coordination and management is one such subject of common interest. Six initiatives are noteworthy in this area, four of which took place in the last two years. The Eastern European and CIS countries took part in a dialogue with Egypt, Malta, Tunisia and Turkey in June 1993 to learn about the management of foreign ministries, particularly with respect to foreign assistance. This has now developed into a programme for diplomatic training in the Eastern European and Central Asian countries. As a follow-up action, in October 1994, 23 countries met in Ankara to deliberate on experiences of countries as both donors and recipients of aid. In January 1994, 12 Arab countries assembled in Jordan to exchange views and experiences and identify replicable practices. Chile, Malawi and turkey provided papers on their experience. The outcome of the exchange was individual country programmes to reorganize the aid coordination modality and mechanism. In Latin America, Chile began in 1993 eight country studies to document and analyse aid management practices. The

case-studies have been completed and they will be reviewed in a workshop where the documented good practices and experiences are likely to be synthesized into a handbook.

147. Another example is the series of workshops on science and technology. Commercialization of the results of research and development is an issue receiving attention in many developing countries, and TCDC is considered an appropriate modality for it. Interlinkages between the scientific community and the private sector for commercialization of research and development was the subject of an interregional gathering supported by the Special Unit for TCDC in Argentina in March 1993. A further gathering was held in November in India, which was organized by the Asian and Pacific Centre for Transfer of Technology. Earlier in Hangzhou, China, in April 1994, a variant of this subject featured in a workshop attended by participants from 19 countries. Further, a gathering was held in Madras, India, in December 1994 to explore joint technology development for the Indian Ocean.

148. Following the Global Conference on the Sustainable Development of Small Island Developing States in April/May 1994 in Barbados, the Special Unit for TCDC undertook an initiative to promote TCDC among these countries. A feasibility study on the small island developing States technical assistance programme (SIDS/TAP) was prepared by the Special Unit following two consultative meetings in Fiji and Barbados in August 1994. The feasibility study was considered by the General Assembly at its forty-ninth session and the Assembly, in its resolution 49/122 of 19 December 1994, invited UNDP to initiate the implementation of SIDS/TAP. A capacities and needs matching exercise for island developing countries is planned for the near future.

149. Alleviation of poverty is another issue of great interest in many developing countries; this is also a problem for which solutions can be found primarily in the experiences of the South. In Latin America, Asia and Africa there are regional programmes working to identify the best measures for tackling poverty. Exchange of experience between southern countries and case-studies of southern experiences and research into conditions prevailing in the South alone can provide worthwhile lessons. There are regional programmes in all the three regions focusing on poverty eradication. The United Nations Capital Development Fund has a programme for training in small credit operations and providing seed money for replicating Grameen Bank-type operations in the least developed countries. The Special Unit for TCDC supported a study on successful partnership to address poverty and development in Africa, which, as noted earlier, is now on the verge of completion. Another activity has been the capacities and needs matching exercise on credit and poverty recently held at Comilla, Bangladesh.

150. Two significant developments of the recent past deserve special mention. The first is the evolving technical cooperation between Africa and Asian countries as a follow-up to the Tokyo International Conference on African Development. A seminar was held in December 1994 in Indonesia to enhance Asian-African cooperation. Transfer of know-how, agricultural development, adaptation of technology, reorganization of economic management, trade expansion and investment collaboration are targeted by this cooperation programme. So far there have been very limited TCDC activities between Asian and African

countries, although exchanges with China and India have been going on for some time. Establishing sustainable development cooperation between African and Asian countries, particularly the ASEAN countries, requires an effort of will, new attitudes and approaches, intensified exchange of information and extensive contacts. The second is the institution by UNDP of the Group of 77 TCDC award on the occasion of the thirtieth anniversary of the Group. The first award will be made in 1995 on the basis of proposals received from institutions of developing countries. This annual award will encourage a TCDC initiative, which can be a study, a pilot programme, a treatment of any practical problem or development of a technology or modality with implications for TCDC/ECDC.

151. The High-level Committee document on new directions for TCDC (TCDC/9/3) suggests a reorientation of policy and operational thrust for TCDC. Innovative approaches and modification of existing practices, as well as new ideas, have been put forward therein for the consideration of the High-level Committee.

IV. CONCLUSIONS AND RECOMMENDATIONS

152. Country progress reports on TCDC activities indicate that TCDC on a bilateral basis is significantly increasing. Developing countries are training more of their people in facilities available in the South and this effort is largely supported by both multilateral and bilateral donor assistance. Exchange of experts, advisory services and equipment is still constrained by the paucity of financial resources allocated to TCDC programmes. Increasingly, however, national budgetary allocations for TCDC are being made, and institutions in the developing countries, both public and private, are providing resources for TCDC activities. A great deal of TCDC is taking place bilaterally, but there is no accounting nor any monitoring procedure to capture this information or assess its monetary value.

153. Information received from organizations of the United Nations development system indicate that TCDC promotional activities supported by the system have substantially increased and mechanisms already in place have, over time, improved considerably. Implementation of Economic and Social Council resolution 1992/41 giving first consideration to the TCDC modality is not yet being generally implemented, and very few operational activities apply this modality. However, components of many operational activities are executed using the TCDC modality; and in the regional programmes TCDC is becoming the preferred modality. This state of affairs represents a weakness in commitment to TCDC and insufficient information regarding how to utilize the modality in programmes supported by the United Nations development system. It is difficult to provide any quantitative indicator for progress in the application of TCDC. If some new budgeting technique is devised, as is being attempted by UNFPA, by which the TCDC element can be captured in project estimates, it will possibly lead to greater use of the TCDC modality and facilitate reporting and monitoring.

154. The Administrator's annual reports indicate an increase in the technical resources of the developing countries that are being used in the overall operational activities of UNDP. 3/ Some relevant information for the period 1990-1993 is provided in the following table 4 below.

Table 4. Use of technical resources of the recipient countries in technical cooperation projects of UNDP

(Percentage)

Type of resource	1990	1991	1992	1993
International consultants used	38.5	36.5	39.4	39.7
United Nations volunteers used	90.8	89.3	86.7	85.1
Equipment procured	26.7	32.3	34.3	42.3
Fellowship placements	46.1	94.5	65.1	72.9
Subcontracts awarded	44.8	41.6	45.7	62.1

155. While this may not always mean application of the TCDC modality, it indicates progress in the implementation of the Buenos Aires Plan of Action, recommendation 31 of which directs greater use of the technical resources of the developing countries.

156. It should be stressed that much greater emphasis needs to be placed on reporting progress in the promotion and application of TCDC, as good reports and success stories have a catalytic effect on further progress in expanding use of the TCDC modality. It is especially important for the developing countries to improve the quality, quantity and timeliness of progress reports for the advancement of TCDC and hence the achievement of collective self-reliance. The organizations of the United Nations development system should also take greater care to report according to the format provided for this purpose so that overall reporting can capture all relevant information.

157. One of the major efforts for promoting the TCDC mechanism is the strengthening of national focal points and sensitization of all development practitioners such as Governments, the United Nations development system, NGOs and the private sector. Without an effective national focal point it is difficult to articulate and implement a TCDC strategy in a country. The coordinating role of the focal point is very important in making TCDC a more important element in the national development process. Recent decentralization of TCDC-INRES to country offices of UNDP and national focal points will enable the focal points to be a better source of information on TCDC. Sensitization can be technically assisted by the United Nations development system, but the main responsibility lies with national leadership, and such programmes must be initiated and executed by the national focal points. The crucial role of commitment to TCDC at high leadership levels of government is essential for the articulation of a clear policy on TCDC.

158. An important instrument to boost implementation of TCDC is the FAO framework agreement for use of experts under TCDC arrangements. This provides a basis for incorporating TCDC as a component or modality in operational activities of the United Nations development system. The widespread use of such a mechanism by other organizations and agencies of the United Nations system is important for promoting the application of the TCDC modality.

159. Reports from the United Nations development system coupled with information provided by several countries indicate that there has been noteworthy growth in technical cooperation between developing countries and the transitional economies. This is still largely a one-way process from the developing countries, but the technical know-how of the transitional economies will be more widely utilized by other developing countries once the newly industrializing countries are able to handle effectively the initial challenge of managing the transition.

160. The focus on women has come about partly through support of traditional technologies and crafts and partly through tackling women's issues directly. Credit operations for women, women in fisheries, micro-enterprises for women and networks of women's NGOs have drawn attention because of deliberate emphasis placed on these matters. Inclusion of subjects like development of indigenous food technologies, textile designs, rural sanitation and survival strategies have automatically brought women to the forefront.

161. Promotion of TCDC is both an end and a means for South-South cooperation. It is, no doubt, a tool for South-South cooperation, but it also means actual implementation of substantive activities for South-South cooperation. UNDP and the regional commissions have been seeking various ways of strengthening cooperation among the southern countries, particularly through their regional programmes and TCDC interventions. At the same time, the United Nations development system is making every effort to increase the use of technical resources of the South in traditionally executed technical cooperation activities and to build up centres of excellence in the South. The link between TCDC and broader South-South cooperation is now receiving added interest. The present report clearly indicates the importance given to the key elements of the report of the South Commission, which emphasizes policies in five areas: strengthening national commitment to South-South cooperation; use of developing country training and education facilities; promotion of South-South trade; cooperation between enterprises in the South; and strengthening of food security.

162. The lack of adequate financial support is still a major impediment in the promotion of TCDC. The problem of catalytic resources for TCDC activities has always been recognized as critical, but nothing much has been done to resolve it. The High-level Committee, in section I of its decision 8/2, requested the Administrator to report on the proposal for an interregional fund, about which it expressed reservations. The issue failed to attract much attention from either developed or developing countries, despite several reminders. Only 21 responses had been received by March 1995, of which 14 are in favour of the proposal. The Netherlands has suggested that consideration should be given to a regional fund and the subject should be discussed in the High-level Committee meeting. Therefore, no separate report is submitted on the subject. It seems

that there are three mechanisms that should be explored to meet the need for catalytic financing. The report on new directions for TCDC (TCDC/9/3) presents a number of suggestions on funding of TCDC for consideration by the High-level Committee:

(a) In the use of available national resources, more mileage can be gained by pooling all national resources now devoted to TCDC in a more coordinated manner. A coordinating umbrella for use of all financial resources for bilateral or multilateral TCDC activities would surely improve allocation of scarce resources;

(b) The benefits of triangular financing of TCDC activities should be more clearly brought out. At present, it is taking place sporadically and without deliberate planning, as in Central America. This should be promoted in a more structured fashion and donor countries and agencies should consider it more favourably;

(c) Developing countries should use more of their country and regional IPF resources for TCDC. Consideration of TCDC as the preferred first modality can yield more value for technical cooperation funds received from United Nations sources.

Notes

1/ Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

2/ New York University Press, 1990. For an overview and summary of the report of the South Commission, see A/45/810 and Corr.1, annex.

3/ See DP/1992/12/Add.2, table 11, and DP/1994/10/Add.2, table 8.

ANNEX

List of countries and organizations responding to the request for information

1. Countries

A. Developing countries

Africa	Asia and the Pacific	Latin America and the Caribbean	Arab States	Europe
Benin	Cambodia	Bolivia	Bahrain	Azerbaijan
Ethiopia	China	Chile	Lebanon	Cyprus
Madagascar	Democratic People's Republic of Korea	Colombia	Syrian Arab Republic	Malta
Mauritania	Indonesia	Ecuador	Tunisia	Ukraine
Mauritius	Malaysia	Netherlands Antilles	Turkey	
Mozambique	Myanmar	Panama	United Arab Emirates	
Senegal	Nepal	Paraguay		
Togo	Pakistan	Peru		
Uganda	Samoa	Uruguay		
	Singapore	Venezuela		
	Sri Lanka			

B. Developed countries

Austria
Germany
New Zealand
United Kingdom of Great Britain and Northern Ireland

2. United Nations departments and organizations

Department for Development Support and Management Services
Economic and Social Commission for Asia and the Pacific (ESCAP)
Economic and Social Commission for Western Asia (ESCWA)
Food and Agriculture Organization of the United Nations (FAO)
General Agreement on Tariffs and Trade (GATT)
International Labour Organization (ILO)
International Telecommunication Union (ITU)
United Nations Conference on Trade and Development (UNCTAD)
United Nations Development Programme (UNDP)
United Nations Educational, Scientific and Cultural Organization (UNESCO)
United Nations Industrial Development Organization (UNIDO)
United Nations Population Fund (UNFPA)
Universal Postal Union (UPU)
World Health Organization (WHO)
World Intellectual Property Organization (WIPO)
World Meteorological Organization (WMO)

3. Other intergovernmental organizations

Arab Organization for Agricultural Development, Khartoum
Asian and Pacific Coconut Community, Jakarta
Customs and Economic Union of Central Africa
East African Development Bank, Kampala
Inter-American Statistical Institute, Panama
International Pepper Community, Jakarta
Latin American Economic System (SELA), Caracas
Organization of American States, Washington, D.C.
Latin American Energy Organization (OLADE), Quito
Statistical, Economic and Social Research and Training Centre for Islamic Countries, Ankara

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NATIONS

TCDC

Technical cooperation among
developing countries

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HIGH-LEVEL COMMITTEE ON THE
REVIEW OF TECHNICAL COOPERATION
AMONG DEVELOPING COUNTRIES
Ninth session
New York, 30 May-2 June 1995
Item 5 of the provisional agenda*

REVIEW OF PROGRESS MADE IN IMPLEMENTING THE BUENOS AIRES PLAN OF ACTION AND THE DECISIONS OF THE HIGH-LEVEL COMMITTEE AND IMPLEMENTATION OF THE RECOMMENDATIONS OF THE SOUTH COMMISSION

Corrigendum

Page 48, annex, section 1.A.

The entry for Turkey should appear under the heading Europe

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* TCDC/9/L.1.

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OF TECHNICAL COOPERATION AMONG
DEVELOPING COUNTRIES
Ninth session
New York, 30 May-2 June 1995
Item 6 of the provisional agenda*

NEW DIRECTIONS FOR TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

EXECUTIVE SUMMARY

The present report has been prepared in response to General Assembly resolution 49/96 of 19 December 1994. It examines the experience in technical cooperation among developing countries (TCDC) since the adoption in 1978 of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries in an effort to identify the salient features of that experience and the lessons learned from it. Based on this review, the report concludes that, despite unmet needs and the fact that TCDC is still not optimally integrated within the operational activities of the United Nations system, the concept remains valid and indeed is likely to assume increased importance in the future in the light of the changes occurring in the international system and their impact on the traditional structure of multilateral technical cooperation.

It is argued that, while the dramatic changes that have occurred in the international economic system since the late 1980s have adversely affected the economic fortunes of many developing countries, they have nevertheless created increased opportunities for TCDC, based, among other things, on the increasing differentiation among developing countries.

* TCDC/9/L.1.

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Given these new circumstances and realities, it is proposed that, in terms of its substantive policy and operational thrust, TCDC should in future focus on strategic initiatives that are likely to have a major impact on a large number of developing countries. It is also proposed that this focus should encompass major development issues and themes, such as trade and investment, debt, the environment, poverty alleviation, production and employment, macroeconomic policy coordination, and aid management.

It was felt that this shift to strategic interventions focusing on major development issues and themes would require a blurring of the traditional distinction between the "promotional" and "operational" dimensions of activities carried out within the TCDC framework and that, in keeping with this new thrust, it might be necessary to envisage a longer term TCDC involvement in certain activities, albeit on a selective basis. Examples of strategic initiatives that would attract TCDC support are the Small Island Developing States Technical Assistance Programme; the Asia-Africa Forum initiative; and the proposed exchange of experience between the countries of Latin America and the countries of the Commonwealth of Independent States (CIS).

On the basis of a definition of the principles and criteria that will inform the new substantive policy and operational thrust, the basic elements of the new directions agenda were seen as involving both a reorientation of existing TCDC practices and the identification of entirely new initiatives. In terms of the former, specific proposals are made for the formulation of national TCDC policies; the restructuring of the capacities and needs matching exercises; enhancement of the role of United Nations Development Programme (UNDP) country offices as facilitators of TCDC; the establishment of improved links with centres of excellence in the developing countries; and the expansion of the TCDC Information Referral System (INRES) into a multidimensional database, containing not only institutional data but also information on experts and centres of excellence and data on successful and innovative programme and project experiences capable of replication in other countries.

In terms of new initiatives, a central recommendation of the report is the need to effect a closer operational integration between TCDC and economic cooperation among developing countries (ECDC). Some of the other recommendations are the need to identify pivotal countries to serve as catalysts for implementing TCDC; the promotion of triangular cooperation arrangements, under which donors would agree to fund exchanges among developing countries; the compilation of information on successful and innovative projects capable of replication, and the use of the Special Unit for TCDC as the mechanism to facilitate the transfer of such project experiences to other developing countries; the identification of subject specific TCDC products, which could also attract funding by virtue of their importance; and the establishment of the Group of 77/UNDP award for TCDC/ECDC.

Having defined the substantive policy and operational thrust and the elements of the new directions agenda, the report examines the institutional

arrangements and funding requirements necessary to support the new vision of TCDC. At the institutional level, the report makes a number of recommendations on the issues to be considered at the meetings of the High-level Committee and on the need for revised arrangements at the national level in support of TCDC, as well as specific proposals for energizing the United Nations system in support of TCDC initiatives.

On the issue of funding, a number of proposals are advanced in the report, namely, earmarking of national resources for TCDC programmes; a recommended increase in UNDP's allocation for TCDC during the next programming period; continued allocation by countries of a proportion of their national indicative planning figures (IPFs) to support TCDC activities; triangular funding arrangements with donor participation; special resource mobilization efforts based on specific TCDC products which could attract funding by virtue of their importance; and funding arrangements with the private sector.

In concluding, the report observes that it is propitious that TCDC, which is an integral part of the operational activities of the United Nations system, should be reviewed during the fiftieth anniversary of the Organization. It is significant that 1995 also marks the twentieth anniversary of the adoption by the UNDP Governing Council in 1975 of its decision on new dimensions in technical cooperation.

The decision of the High-level Committee on new directions for TCDC will make an important contribution to the further elaboration of TCDC as a dynamic instrument in support of a truly global enterprise for development.

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I. INTRODUCTION

1. The present report is prepared for consideration by the High-level Committee on the Review of Technical Cooperation among Developing Countries in response to General Assembly resolution 49/96 of 19 December 1994 on the conference on South-South cooperation, which, inter alia, requested the Committee to include in the agenda of its ninth session an item entitled "New directions for technical cooperation among developing countries".

2. The report is the product of a series of internal and external consultations culminating in a meeting of an external panel of experts (see list of participants at annex I), which met in New York from 6 to 7 March 1995 and made a number of important suggestions and recommendations that have been incorporated in the report. The preparation of the report also benefited from suggestions received from individual Governments, United Nations organizations and agencies, selected intergovernmental organizations and non-governmental organizations (NGOs).

II. HISTORICAL BACKGROUND

3. The emphasis on technical cooperation among developing countries (TCDC) and economic cooperation among developing countries (ECDC), which emerged during the 1970s, was based on a recognition of the need to increase horizontal exchanges among the developing countries in order to complement the predominantly vertical North-South exchanges that had historically characterized international relations. Between 1973 and 1977, the General Assembly adopted a number of resolutions calling upon the international community in general and the United Nations system in particular to assist the developing countries in their efforts to increase technical exchanges among themselves. In addition, in 1975 the Governing Council of the United Nations Development Programme (UNDP) adopted a decision on new dimensions in technical cooperation, 1/ which called for increased emphasis to be placed on government execution and TCDC in the implementation of technical cooperation programmes. These efforts culminated in the United Nations Conference on TCDC, held in Buenos Aires from 30 August to 12 September 1978. The Buenos Aires Plan of Action 2/ adopted by the Conference sets out a comprehensive conceptual and operational framework for the promotion of TCDC which has been consistently reaffirmed in subsequent resolutions of the General Assembly, the Economic and Social Council and the High-level Committee.

4. During the 1980s, systematic efforts were made to accelerate TCDC exchanges in the various areas identified in the Buenos Aires Plan of Action through promotional and sensitization activities, and also on the basis of support for specific operational programmes and projects in a wide range of sectors, including those identified in the Non-Aligned Action Programme for Economic Cooperation among Developing Countries and the Caracas Programme of Action adopted by the High-level Conference on Economic Cooperation among Developing Countries in May 1981. 3/ Based on these efforts, significant progress was made in promoting TCDC. However, it is evident that a number of challenges would need to be overcome for TCDC to achieve its full realization. Among the most important of these challenges is the need to achieve wider acceptance of TCDC,

both within and outside the United Nations system, and to advance the broader objectives of ECDC, which provides a natural framework for the application of TCDC.

5. The profound changes that have occurred in the international system since the late 1980s have also had a significant impact on traditional multilateral development cooperation, which in turn has major implications for the future prospects of TCDC. In this regard, the rapid globalization of markets and production structures, accentuated by an increased emphasis on the creation of a liberalized international trading regime, has presented special challenges and opportunities to the developing countries. Similarly, the creation of a number of new States from the former Union of Soviet Socialist Republics and parts of Eastern Europe has imposed new demands on the international community to provide economic and technical assistance in laying the foundation for their successful transformation into market economies. Moreover, the significant increase in the number of societies in conflict and the peace-keeping and humanitarian efforts that have had to be mounted have imposed new and urgent responsibilities on the traditional donors. The need to allocate resources to these new activities, together with the increasing fiscal constraints faced by some developed countries, has led to a decline in the resources available for traditional development cooperation.

6. These developments have stimulated an increased interest in TCDC as an instrument to promote a new system of participation and exchange among developing countries, not only to support their overall development objectives but also to ensure their more effective participation in the newly emerging structure of international relations. The report of the South Commission entitled "The Challenge to the South", 4/ which was launched in 1990, gave added impetus to TCDC. Based on its review of the report, the High-level Committee, at its eighth session, invited developing countries and United Nations organizations to examine for possible inclusion in their TCDC activities the recommendations contained in the report. The Administrator of UNDP was also requested to report to the ninth session of the Committee on the implementation of that decision. General Assembly resolution 48/164 of 21 December 1993 requested the Secretary-General to report to the Assembly at its fiftieth session, in 1995, on the state of South-South cooperation as a follow-up to the report of the South Commission. In its decision 8/2, the High-level Committee adopted the strategy and framework for the promotion and application of TCDC in the 1990s, which was endorsed by the Assembly in its resolution 48/172 of 21 December 1993. The strategy recommended, among other things, that high priority should be given to Economic and Social Council resolution 1992/41 of 30 July 1992 calling for first consideration to be given to the use of TCDC in the implementation of development programmes and projects, irrespective of the source of funding. Further, the Principles on new orientations in technical cooperation adopted by the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development in 1991, emphasized the relevance of South-South cooperation in the delivery of multilateral technical cooperation. This renewed interest in the subject is also evident in the declaration of the ministerial meeting of the Group of 77 held in September 1994, which emphasized the importance of South-South cooperation and called for the convening of a United Nations conference on the subject. Similarly, in his statement to the forty-ninth session of the General Assembly,

the Deputy Prime Minister of Japan called for increased emphasis to be given to South-South cooperation and urged its inclusion as an integral part of the Agenda for Development. Finally, in its resolution 49/96, the Assembly called upon the Secretary-General to prepare a comprehensive report containing recommendations for strengthening and expanding South-South cooperation, taking into account the decision of the High-level Committee based on its consideration of the item entitled "New directions for TCDC", which is the subject of the present report.

7. In view of the changes occurring in the traditional structure of multilateral development cooperation and the widespread impact of technological innovation, which have created new possibilities for accelerating the pace of development, TCDC would need to be significantly reoriented if it is to respond effectively to these challenges. Furthermore, appropriate supporting institutional structures and financing modalities must also be put in place. It is against this background that the present report should be conceived and operationalized.

III. EXPERIENCE IN TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES: LESSONS LEARNED

8. The accumulation of nearly two decades of experience has provided a number of insights into the strengths and weaknesses of TCDC as it has evolved since the adoption of the Buenos Aires Plan of Action in 1978. In recognition of their primary responsibility for promoting TCDC, the developing countries have engaged in a wide range of technical exchanges among themselves, at the regional level as well as interregionally.

A. The regional experience

9. In the Arab region, Egypt and Tunisia have been particularly active in promoting TCDC exchanges in the Anglophone and Francophone States respectively, as well as in sub-Saharan Africa, in such areas as agriculture, energy, infrastructure development and the environment. For example, during the past decade, the Tunisian Agency for Technical Cooperation has provided some 7,000 experts and junior technical personnel to serve abroad and has received over 1,000 trainees from various African and Arab countries.

10. In the case of Eastern Europe and the Eastern Mediterranean, Turkey, Malta, Cyprus and Poland have been actively involved in promoting TCDC both within and outside the region. Turkey, for example, allocated bilateral funding exceeding $70 million for the biennium 1993-1994 for technical cooperation activities with other developing countries. It has provided experts and volunteers as well as scholarships, fellowships and study tours for participants from the region. Cyprus, Malta and Poland have also provided specific types of expert services and training to other developing countries in the region.

11. In Asia and the Pacific, a number of countries, including China, India, Thailand, Singapore and Indonesia, have established bilateral TCDC programmes and have allocated resources from their UNDP IPF to finance TCDC activities.

The small island countries in the Pacific and Indian Oceans have also engaged in TCDC exchanges to address such issues as sealevel rise, problems relating to diseconomies of scale deriving from their small size, tourism and the threat to biodiversity. Regional institutions such as the Asia Pacific Centre for the Transfer of Technology, based in New Delhi, the Network of Aquaculture Centres in Asia and the Pacific, based in Bangkok, the Asia Pacific Centre for Development, based in Kuala Lumpur and the South Pacific Regional Environment Programme, based in Samoa, have served as important vehicles for the promotion of TCDC. The Hangzhou Regional Centre for Small Hydro Power, which was established in China with UNDP assistance, offers considerable potential for promoting TCDC exchanges in this field. Similarly, the growth of regional and subregional groupings such as the Association of South-East Asian Nations, the South Asian Association for Regional Cooperation and the South Pacific Coordination Group have assisted the participating countries to focus on a number of common problem areas in such fields as trade, agriculture, transport and telecommunications.

12. The Latin American and Caribbean experience with TCDC exhibits a number of unique features. Countries such as Argentina, Brazil, Chile, Colombia, Mexico and Venezuela have played a leading role in promoting TCDC both through their own independently funded bilateral programmes and through use of the UNDP IPF mechanism. Subregional groupings within regions such as the Latin American Economic System (SELA) and the Caribbean Community have also played an active role in promoting TCDC exchanges. Of particular relevance and significance have been the efforts to support Central America in its transition from conflict to development. With agreements such as the one on the San Jose oil facility, funded by Mexico, Trinidad and Tobago and Venezuela; the establishment of SELA's Action Committee for the Development of Central America and the efforts of other multilateral agencies such as the European Union; the Inter-American Development Bank, through its Regional Consultative Group; and the United Nations, through the UNDP-administered Special Plan of Economic Cooperation for Central America, extensive use was made of the TCDC modality. Moreover, patterns of TCDC exchanges are likely to intensify in the context of economic cooperation and integration arrangements such as the Southern Cone Common Market, which links Argentina, Brazil, Paraguay and Uruguay; the Central American Integration Scheme; and the newly established Association of Caribbean States.

13. In the case of Africa, countries such as Nigeria, Senegal, Ethiopia, Ghana and the United Republic of Tanzania have been major supporters of TCDC. The potential for TCDC and ECDC needs to be more fully utilized through the Organization of African Unity and the Indian Ocean Commission. The formation of the African Economic Community in May 1991 represents a renewed effort to revamp cooperation and integration arrangements. The African Economic Community is expected to be anchored in existing subregional organizations such as the Economic Community of West African States, the Common Market for Eastern and Southern Africa and the Southern African Development Community. Interesting opportunities for TCDC are emerging with the involvement of regional institutions such as the West African Rice Development Association, the International Institute of Tropical Agriculture, the Eastern and Southern African Management Institute and the African Regional Centre for Technology.

14. One development with increasing relevance to the promotion of TCDC is the trend towards growing differentiation among groups of developing countries, measured in terms of both their respective levels of development and the nature of their integration into the global economy. This would suggest that careful consideration should be given in future to the possible formulation of differentiated strategies for the promotion of TCDC to take account of these differences. This approach should, however, be pursued without prejudice to the continuing need to promote interregional cooperation linking the various regions of the developing world on the basis of TCDC arrangements. This is clearly necessary in view of the fact that many developing countries in the different regions have experienced an evolution from being net recipients to net providers of technical and economic assistance. This dynamic shift in the situation of these countries puts them in an effective position to share with other developing countries the techniques and experiences that have made them successful.

B. Activities of the Special Unit for Technical Cooperation among Developing Countries

15. In keeping with the mandate provided by the Buenos Aires Plan of Action, the UNDP Special Unit for TCDC has played an active role within the United Nations system in promoting and supporting TCDC activities, both regionally and interregionally. Activities undertaken by the Unit over the years have embraced a variety of methodologies, especially those set out under four major subprogrammes. Specifically, these programmes include capacities and needs matching exercises and subject-specific workshops; capacity enhancement for the management of TCDC; studies and evaluations in priority areas; promotional and sensitization activities designed to promote greater awareness of TCDC and its increased utilization in the development process; and the dissemination of information on institutional capacities through the use of TCDC-INRES. Most recently, capacities and needs matching exercises were held in Argentina on food and agriculture; in Bangladesh on rural credit and poverty alleviation; in Uganda on the services sector; and in Nigeria on agriculture and rural development. Each of these exercises resulted in a significant number of bilateral agreements for technical cooperation between the participating developing countries. Subject-specific workshops were held in all of the regions and focused on interactive exchanges and consultations designed to share experiences and know-how which would result in the replication of applicable technologies and approaches in an increased number of developing countries. These workshops have had a catalytic effect in mobilizing resources in the developing countries for the implementation of activities in the various areas identified. The Unit also played a central role in helping to define better the functions of the TCDC focal point mechanisms within participating countries to strengthen and enhance their ability to promote and apply the TCDC modality.

16. As part of the activities undertaken by the Unit, a feasibility study was prepared in respect of the Small Island Developing States Technical Assistance Programme, which is intended to serve as a basis for the operationalization of the Programme of Action adopted at the Global Conference on the Sustainable Development of Small Island Developing States, held in Bridgetown, Barbados, from 25 April to 6 May 1994. 5/ Substantial assistance is being provided by the

Unit in the form of policy analysis from a gender perspective, based on the comparative experience of grass-roots women's organizations in support of the preparations for the Fourth World Conference on Women, to be held in Beijing in September 1995; and for the organization of exchanges on effective urban management practices as a contribution to the United Nations Conference on Human Settlements (Habitat II), to be held in Istanbul in 1996. Other activities have focused on priority development sectors, including the strengthening of institutional capacities for education through inter-university cooperation in research; studies on aid coordination; studies on African food production and food processing technologies for commercialization; linkages between research and development, public policy and private sector investment and production in studies undertaken by universities; the preparation of a policy-oriented framework to improve the socio-economic conditions of women; support to the health learning materials programme and the establishment of the International Network on Small Hydro Power in China. The support provided to these activities further strengthened networking and twinning arrangements and promoted linkages between centres of excellence in the developing countries. The collective impact of the activities carried out under these subprogrammes has expanded the use of the TCDC modality through selected, strategic interventions, in turn resulting in the generation of additional resources and the replication of know-how and technology in a large number of developing countries. Consequently, despite the modest resources at its disposal, measured by its substantive policy input and catalytic influence, the Unit has played a critical role in the promotion of TCDC.

C. Activities supported by other United Nations organizations and agencies

17. In addition to the work of the Special Unit for TCDC, many United Nations organizations and agencies have also played an effective role in support of TCDC activities by providing appropriate advisory and technical services. These include the Department for Development Support and Management Services, the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO) and the World Health Organization (WHO). Valuable assistance in promoting TCDC initiatives has also been provided by the United Nations regional commissions.

18. The activities identified above attest to the fact that over the years a number of significant TCDC initiatives have been carried out. However, a number of unmet needs persist while new challenges have arisen in response to emerging global challenges. Moreover, a number of weaknesses that have been identified would need to be addressed if TCDC is to serve as a more effective instrument in support of development.

D. Remaining challenges

19. As practised today, TCDC consists of a matrix of activities that are multifaceted in nature and are carried out by a wide range of actors, including national Governments, regional institutions, multilateral agencies, NGOs and the private sector. Increased efforts would therefore need to be made to ensure improved linkages between the various activities in order to achieve a more efficient allocation of resources and the overall rationalization of objectives, as failure to do so could lead to excessive fragmentation of effort and a less than optimal use of resources.

20. Notwithstanding the conspicuous successes which have been achieved in many areas, there is a tendency on the part of many developing countries to view TCDC as a less desirable technical cooperation modality compared with traditional North-South exchanges. This often results in a lack of awareness of the real potential of TCDC as a technically appropriate and cost-effective modality for addressing developing countries' needs and strengthening links with their partners in the South.

21. In spite of its fairly widespread application, the use of TCDC within the United Nations system has not been fully optimized. The United Nations system itself has often failed to promote TCDC effectively because of its underlying orientation and pervasive institutional culture in favour of traditional technical cooperation activities. Moreover, in terms of the totality of TCDC needs, the United Nations system still provides relatively modest resources in support of these needs.

22. A number of critical preconditions must also exist if TCDC activities are to be optimally implemented. First, beneficiary countries should articulate a clear national policy on TCDC, as was emphasized in the strategy for TCDC in the 1990s endorsed by the eighth session of the High-level Committee. In addition, countries should have a clear grasp of their capacities and needs and should put in place suitable mechanisms to manage the transfer and/or absorption of skills from other countries. In order for TCDC to be utilized as a major instrument of development in any country, it is essential to have a well-established and competent entity, properly located within the structure of Government, with responsibility for managing the TCDC process, including monitoring the implementation of agreements concluded with other countries as a result of capacity and needs matching exercises sponsored by the Special Unit for TCDC. Finally, the United Nations system is most effective in promoting TCDC activities when UNDP country offices possess a thorough understanding of the TCDC process and there is a clear commitment to make TCDC activities an integral part of initiatives in support of national development efforts.

23. It is pertinent to observe that, despite the fact that TCDC has been the subject of more resolutions of the General Assembly, the Economic and Social Council, the High-level Committee and, indeed, the UNDP Executive Board than perhaps any other programme area, the above-mentioned conditions are not optimally present in the TCDC activities of the United Nations development system and in national programmes. The broad mandate outlined in the Buenos Aires Plan of Action has sometimes tended to be measured in terms of the number of experts from developing countries working on projects, the frequency of

meetings to promote TCDC and the level of procurement from the developing countries, instead of being seen as a rational imperative for ensuring the full integration of TCDC into the wider conception of operational activities in support of the overall development process.

24. The assessment of the TCDC experience over nearly two decades since the adoption of the Buenos Aires Plan of Action reaffirms the validity of the concept and its importance as an instrument of multilateral development cooperation. Inevitably, however, it must be reoriented in keeping with new realities and as part of the ongoing reconceptualization of multilateral development cooperation and the role of the United Nations operational activities in that process.

IV. THE CASE FOR NEW DIRECTIONS

25. The period since the adoption of the Buenos Aires Plan of Action, and more particularly the past few years, has witnessed dramatic changes in the structure of international relations that are unprecedented in modern history. The increasing globalization of economic activities, the emergence of new States in Eastern Europe and Central Asia; the paradigmatic shift in development thinking from economic planning and government-led interventions to reliance on the private sector and market forces; the rise of new economic power centres in the South, most notably in East Asia and parts of Latin America; the communications and information revolution; the escalation of military conflict in parts of Central Europe and the Middle and Near East; the resurgence of the United Nations as a major multilateral instrument in the service of conflict resolution, peace-keeping and peace-building; and the persistence of underdevelopment and widespread poverty in many parts of the developing world, have all fundamentally altered the dynamics of international cooperation during the 1990s. Moreover, the flow, patterns and direction of development assistance have changed to respond to new needs and realities. While these developments have had a negative impact on many developing countries, which continue to grapple with the problem of widespread poverty, debt and adjustment, they have at the same time, quite paradoxically, expanded significantly the possibilities for cooperation among developing countries. Within this overall framework, the specific developments that are likely to influence the shape, substance and modalities of cooperation among developing countries in the future are detailed below.

26. The increased globalization of international economic relations, based on the communications and information revolution, has created an increasingly interdependent world and has significantly expanded the volume of economic transactions. The response of the developing countries to these altered circumstances has varied according to their particular economic circumstances and level of development. For example, many countries in Africa continue to face economic difficulties and therefore have not been able to take full advantage of these opportunities. On the other hand, the newly industrializing countries of East Asia and the wider group of so-called high-performing Asian economies, as well as a number of countries in Latin America and the Caribbean, Western Asia and North Africa, have achieved high levels of economic growth and have demonstrated a capacity to respond to the new global challenges. The

economic and technological differences within the developing world, though undesirable, have nevertheless broadened the possibilities for cooperation among developing countries in an unprecedented manner. In particular, the more economically advanced developing countries are in a position to transfer to other developing countries the skills and experience, including new and innovative techniques of industrial organization and production and the creative application of technology, that have proved so successful in increasing the productivity and competitiveness of their own economies.

27. The emergence of the new States in Eastern Europe has imposed on the international community the need to provide economic and technical assistance to effect a successful transformation into market-based economies and, in the process, to deal with the economic programmes sponsored by the Bretton Woods institutions, which represents an entirely new experience for those States. Some regions in the developing world, such as Latin America and the Caribbean, have developed expertise in dealing with the financial and economic programmes of the International Monetary Fund (IMF) and the World Bank and have also managed the transition from a government-led development effort to an increased reliance on the private sector in the context of a free market economy. Consequently, they are in an ideal position to provide assistance to the CIS countries on the basis of innovative TCDC arrangements.

28. The emergence of new communications and information technologies has significantly affected the pattern of international exchanges. The new telecommunications technology, including digitization of information, high-speed computer chips and multi-media instruments of education and research, now permits the instantaneous transfer of information among countries. Although many developing countries as yet have only a limited capacity to exploit fully these instruments of communication, these developments nevertheless offer significant opportunities for identifying new modalities to operationalize TCDC exchanges.

29. The past decade has also witnessed a fundamental shift in development thinking. In contrast to the traditional emphasis on economic planning and the notion of a developmental State orchestrating widespread interventions in the development process, increased reliance is now placed on private-sector-led development and the adoption of free-market solutions, with a consequent marginalization of the role of the State. This new development paradigm is often embodied in economic stabilization and structural adjustment programmes sponsored by IMF and the World Bank and carried out by the developing countries. However, the implementation of such programmes has in many cases involved a number of challenges in terms of reconciling the needs of economic efficiency and social development objectives. The structuring and sequencing of macroeconomic policy measures, as well as the adoption of investment options, have often proved problematic to countries embarking on such programmes. These countries could benefit from the experience of countries that have already undergone a process of adjustment. Consequently, the whole area of economic policy reform, which is so central to effective long-term sustainable development, lends itself to the promotion of fruitful TCDC exchanges. Moreover, the broadening of the base of participation in the development process to include NGOs and the private sector also suggests the need for TCDC to build new partnerships with those groups in order to exchange experience across

countries and between regions in areas of common concern. The world-wide networks created by some NGOs already serve as extremely efficient vehicles of South-South cooperation.

30. In the pursuit of a human-centred approach to development that is, in large measure, oriented to human resources development and the creation of sustainable institutional capacities, technical cooperation has been increasingly recognized as an important input in the development process. As originally conceived, technical assistance was seen simply as an appendage to capital investment in the form of project engineering and feasibility studies. However, it is now widely accepted as a necessary complement to capital investment and as an indispensable instrument for ensuring a truly sustainable development process. Consequently, TCDC, as an important aspect of this form of cooperation, has also assumed increased prominence as an instrument for development.

31. Finally, the evolving dynamics of the global order in recent years has led to a significant expansion of the global agenda. From the perspective of the developing countries, the demands of trade and investment, improved production and productivity, debt, poverty alleviation and effective environmental management and the challenge of promoting an accelerated pace of development are of paramount importance. The case for improving the status of women and effectively integrating them into the development process continues to demand international action and will be comprehensively addressed during the Fourth World Conference on Women, at Beijing later this year. The continued expansion of cities under the weight of the demographic revolution in the developing world has put excessive pressure on urban infrastructure, including the need to ensure the provision of adequate potable water, sanitation, transportation and other related facilities. This issue will also receive the attention of the international community during the Habitat II Conference in 1996. Moreover, although advances in medicine have led to the virtual eradication or control of diseases such as smallpox, typhoid and cholera, which traditionally have had a devastating effect on the developing countries, a new and formidable challenge has arisen in the form of the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) pandemic, which threatens to set back development efforts because of the need to reallocate scarce resources from traditional development concerns to address this crisis.

32. All of these issues present formidable challenges to the international community and need to be addressed with a sense of urgency. In one way or another, they have been reflected in the decisions of the International Conference on Population and Development in Cairo and the World Summit for Social Development in Copenhagen, and will again be addressed in the Beijing Conference on Women and Habitat II in Istanbul. The results of these conferences, together with the Agenda for Development to be adopted by the General Assembly, will in large measure shape the agenda for multilateral development cooperation into the twenty-first century. Given the far-reaching nature of these challenges, traditional North-South cooperation will need to be complemented by a renewed emphasis on South-South cooperation if these tasks are to be carried out effectively.

33. For these reasons, it is both timely and appropriate to revisit the substance of TCDC in order to ensure it is conceived and applied in a manner consistent with the new realities of a changed global order.

V. SUBSTANTIVE POLICY AND OPERATIONAL THRUST

34. Based on the fundamental and inexorable shifts that have occurred in the dynamics of global development cooperation, it is important to reorient TCDC in terms of its substantive policy and operational thrust in order to ensure that it continues to serve as a dynamic technical cooperation instrument at the disposal of the developing countries and the international community as a whole. Given the changed realities and current challenges, TCDC will need to focus increasingly on strategic initiatives that are likely to have a major development impact on developing countries or that are likely to enable them to address important problems of common interest. This does not mean that specific interventions aimed, for example, at replicating proven and effective technologies, the functioning of effective networks or the matching of clearly identified capacities and needs would be excluded, as it is important for TCDC to maintain its flexibility to respond creatively to specific needs. The new focus suggests, however, that in terms of its primary programme orientation, greater emphasis will be placed in future on core development issues of special interest to a large number of developing countries.

35. Given the current challenges facing the developing countries, it is proposed that the following should be the major priority issues and themes for strategic interventions: trade and investment; debt; the environment; poverty alleviation; production and employment; macroeconomic policy coordination; and aid management. These priorities have been identified in various forums by developing countries themselves as of special importance.

36. The proposed shift to strategic interventions focusing on major development issues or themes will, in some cases, demand longer-term involvement and may, therefore, require a blurring of the traditional distinction between "promotional" and "operational" activities within the TCDC framework. This may require a change in the present practice of supporting one-time catalytic interventions and, instead, involve the provision of inputs on a longer-term basis, albeit in a selective manner. The effectiveness of the impact of TCDC interventions should also be closely monitored and supported. This, in turn, will require suitable follow-up operational activities in the wake of initial promotional efforts. What is required is a new approach to TCDC that is explicitly anchored in the longer-term objectives of ECDC. Thus, the new directions for TCDC will require changes in current procedures and practices in two critical areas, namely, interventions of a sustained nature and the application of both promotional and operational TCDC activities in respect of the same issue. This would also require an explicit linkage between technical cooperation and investment, focusing on urgent development challenges faced by groups of countries. It will therefore be necessary to encompass within this framework both bilateral and regional or group-specific programmes of cooperation.

37. TCDC initiatives involving a large number of countries in the terms described above would provide a better basis on which to analyse and evaluate results and to develop constructs on which to build more effective programmes in the future.

38. One example of an innovative initiative that could form the basis for a strategic TCDC arrangement, and in which the Special Unit for TCDC has an important role to play, is the Programme of Action for the Sustainable Development of Small Island Developing States. 5/ This programme, which was endorsed by the General Assembly in its resolution 49/122 of 19 December 1994, represents a creative TCDC initiative that could make a significant contribution to the overall development of the countries concerned. Within UNDP, the Special Unit for TCDC has been designated as the Unit responsible for coordinating the follow-up to the Barbados Conference. The Unit is currently engaged in following up the implementation of the Small Island Developing States Technical Assistance Programme on the basis of the feasibility study submitted on the subject to the forty-ninth session of the Assembly.

39. Another initiative of a strategic nature is the Asia-Africa Forum, which held its first meeting in Bandung, Indonesia, in December 1994 as a follow-up to the Tokyo International Conference on African Development, which was hosted by the Government of Japan in October 1993. The conclusions and recommendations adopted at the Bandung meeting identified a number of areas for cooperation on a TCDC basis, namely, exchange of experiences on structural adjustment programmes; networking of African and Asian institutions; strategies and policies to increase agricultural productivity, including intensification of crops, livestock, fisheries and forestry; the establishment of appropriate mechanisms for increasing domestic savings; the promotion of contacts between African and Asian chambers of commerce; the establishment of joint ventures; increased Asian participation in African trade institutions and banks; and the creation of African-Asian communications, trade and research networks. Participants at the Forum, which was jointly sponsored by the Government of Japan, the United Nations Secretariat, UNDP and the Global Coalition for Africa, called upon international agencies, and in particular the Special Unit for TCDC, to assist in implementing the activities envisaged in the various areas agreed upon.

40. The proposed programme of cooperation between countries in Latin America and CIS, which will promote exchanges to allow CIS countries to observe the operations of Latin American institutions dealing with privatization and the management of structural adjustment programmes and to learn from such experiences, represents yet another example of a strategic initiative in interregional TCDC cooperation.

41. In seeking to promote a more strategic vision for TCDC, it is important to ensure that programmes are demand driven. Consequently, mechanisms will be developed to ensure more systematic consultations between the Special Unit for TCDC, Governments, intergovernmental organizations, United Nations agencies and the regional commissions to identify initiatives which reflect the central priorities of the developing countries themselves.

42. The translation of strategic initiatives and critical themes into operative and effective programmes can be facilitated through the use of modern

communication methods, by which messages could be transmitted with a sense of immediacy for greater impact. It should also involve the utilization of successful experiences which lend themselves to replication. Finally, the success of this effort is premised on the need to ensure that properly trained personnel are available to carry out such initiatives and that sufficient financial resources will be provided as necessary inputs.

VI. A NEW AGENDA: BASIC ELEMENTS OF THE NEW DIRECTIONS

43. Inevitably, the identification of an agenda for new directions for TCDC will necessarily involve not only new initiatives but also a reorientation and improvement of existing practices and procedures. This is to be expected, as many of the assumptions underlying TCDC, together with its practices and procedures, continue to be valid, although some would clearly need to be revised. Similarly, in seeking to make TCDC a more effective instrument for promoting collective self-reliance, it will not be necessary to devise in every case entirely new mechanisms, but rather to reshape proven methodologies to respond to new needs.

A. Reorientation of existing practices

44. Through an ongoing process of evaluation, the Special Unit for TCDC has consistently sought to refine its programming activities to ensure that they are effective in promoting inter-country exchanges which would result in measurable economic and social gains. A recent review of past experiences in the promotion of TCDC carried out by external consultants on behalf of the Unit also suggests that many of the existing mechanisms for promoting TCDC linkages remain effective and appropriate for promoting both intraregional and interregional exchanges. However, while supporting the retention of many of the key operational modalities, appropriate refinements and improvements are recommended in respect of their application in order to increase their operational effectiveness. The following provides a brief description of the existing TCDC practices to be retained, together with an indication of the specific improvements proposed for increasing their operational efficiency.

1. Support for the formulation of national policies for TCDC

45. An explicit policy regarding the promotion and utilization of TCDC is essential if national development efforts are to embrace TCDC actively. The Special Unit for TCDC will assist countries in formulating or strengthening such policies. This will directly support Economic and Social Council resolution 1992/41 of 30 July 1992, which calls on all parties in the development effort to give the TCDC option first consideration in technical cooperation activities.

2. Strengthening of national TCDC focal points

46. In order to ensure that national focal points function optimally, they should be elevated in status and located organizationally so as to have direct

responsibility for, and be significantly involved in, the management of technical cooperation activities. In addition, consideration would need to be given to establishing TCDC focal points in national umbrella organizations representing the private sector, such as chambers of commerce and/or the NGO community, in order to provide greater synergy in the efforts of the various actors in society in the promotion of TCDC.

3. Capacities and needs matching exercises

47. A review and recent evaluation of the experience of past capacities and needs matching exercises sponsored by the Special Unit for TCDC suggests the need to ensure that these exercises are an adequately prepared, demand-driven process where needs and capacities identified are realistic in terms of their potential application and relevant to key development objectives of recipient countries, and that adequate funding has been arranged to carry out the resulting agreements.

48. The Special Unit for TCDC will monitor the implementation of the agreements concluded under each capacities and needs matching exercise to evaluate the effectiveness of these agreements over time. This will enable the Unit to make a definitive assessment of the implementation rate of such agreements, which, in turn, it will share with the participating Governments, other developing countries and other interested parties.

4. Enhancing the role of UNDP country offices as facilitators of TCDC

49. To be effective, TCDC requires the support of committed practitioners located in the UNDP country offices who have the responsibility for imbuing the entire UNDP country programme with the spirit of TCDC and for carrying out a dialogue with appropriate government officials, including the national TCDC focal point, on the role of TCDC within the development process. Critical to the success of this effort will be the strong support and commitment which it receives from the UNDP country-based delivery system, led by the resident representative, and also from other United Nations agency representatives.

5. Improved collaboration with centres of excellence

50. In recent years, there has been a significant expansion in the number of centres of excellence in the developing countries. In addition, there has been a proliferation of interesting think-tanks, business roundtables, NGO forums and NGO databases and communications networks, as well as technical institutes. The Special Unit for TCDC will therefore seek to establish systematic linkages with various centres in an attempt to mobilize their support for the promotion of innovative TCDC programmes. Special emphasis will be placed on establishing effective research and cooperation programmes with partners such as the South Centre and the Third World Network, both of which have been very active in advancing the cause of South-South cooperation.

6. Expansion of TCDC-INRES to a multidimensional database system

51. The computerized TCDC-INRES has promoted and facilitated the use of the TCDC modality by maintaining and disseminating information on institutional capacities existing in the developing countries. To intensify the dissemination of information at the global level, the Special Unit for TCDC distributed a new software package, INRES-Lite, in late 1994 to all developing countries, UNDP country offices, United Nations agencies, the regional commissions and selected NGOs. The advantage of this new software package is that it is user-friendly and would enable its users to have direct access to information on institutional capacities in the developing countries.

52. To accelerate further the utilization of the TCDC modality through the use of computer technology, it is proposed that the computerized INRES be expanded into a multidimensional database that brings together in one place useful information relevant to developmental activities. Such a multidimensional system would include data on a selected number of individual experts in each sector in the developing countries and on centres of excellence in the developing world, together with a record of successfully completed, innovative projects suitable for replication in other developing countries. In the development of such a multidimensional system, the Special Unit for TCDC would draw as far as possible on existing systems in the United Nations system.

53. Preparations are under way to place INRES data and important TCDC documents on the Internet, along with access to the other databases that UNDP has already made available via its Internet gateway. This offers the prospect of world wide and real-time access to TCDC activities and INRES.

7. A more proactive role for the Special Unit for TCDC

54. Given its central role and responsibility within the United Nations system for the promotion of TCDC, the Special Unit for TCDC intends in future to adopt a more proactive stance in bringing creative and innovative projects to the attention of developing countries and the international development community as a whole, instead of merely reacting to requests from Governments and other agencies within the United Nations system.

55. The Special Unit for TCDC will also take the lead in consultations with the UNDP regional bureaux in ensuring the full integration of TCDC within UNDP programmes carried out at the national, subregional and regional levels. In addition, the Unit will also seek to promote, as appropriate, increased linkages between its own activities and the TCDC components of these programmes.

56. The Special Unit for TCDC will develop suitable TCDC products and project packages which meet the needs of the developing countries and which, by virtue of their importance, will be likely to attract funding from the donor community as well as from the developing countries themselves.

8. Promotional activities

57. The Special Unit for TCDC will continue to publish its magazine Cooperation South on a semi-annual basis as a means of promoting greater awareness of TCDC. The publication will be modified, however, to make it more substantive than in the past, and also to provide a forum for the discussion of serious development issues relevant to TCDC which are likely to be of special interest to development practitioners as well as interested members of the public.

58. The Special Unit for TCDC will also increase its efforts to promote greater sensitization of the developing countries towards TCDC through support for training programmes carried out at the national level. In addition, the Unit will continue to organize suitable training programmes for United Nations agency representatives, whenever such training is requested. The Unit will also seek to ensure that a suitable TCDC component or module is included in all training programmes organized by UNDP, in a continuing effort to ensure that the concept becomes a pervasive element in the culture of multilateral technical cooperation. Finally, consideration should be given to the introduction of TCDC as a subject of national training programmes and, as appropriate, in programmes carried out by relevant international institutes.

B. New initiatives

59. In addition to retaining a core of existing TCDC practices and building on their proven success through improvement and refinement, the new global scenario that has emerged offers unique opportunities for the intensification and expansion of TCDC activities based on new and imaginative initiatives. The emergence of new linkages and capabilities as well as new needs at the national, subregional, regional and interregional levels places the Special Unit for TCDC in a unique position to play an overarching role as a global facilitator of the TCDC process with the support of the rest of the United Nations system. This is true especially in areas where bilateral linkages are inadequate or where sustained strategic interventions cannot realistically be provided through other delivery mechanisms.

60. The following section describes a number of new elements recommended for expanding the interventions within the framework of the United Nations system and beyond.

1. Integration of TCDC and ECDC

61. As originally conceived in the Buenos Aires Plan of Action and through resolutions of the General Assembly, TCDC was seen as having an integral relationship to ECDC. However, over the years there has been a tendency for the two concepts, although closely related, to be pursued somewhat independently of each other. This is partly explained by the fact that TCDC and ECDC are institutionally separate within the United Nations system, with TCDC the responsibility of UNDP and ECDC the responsibility of UNCTAD. In the light of current global realities, it is important and timely to reverse this trend and

to renew efforts to ensure that the two concepts become more closely linked at an operational level.

62. This goal could be achieved by identifying areas in which TCDC initiatives could directly support comprehensive ECDC programmes such as the Caracas Programme of Action. The Special Unit for TCDC intends to undertake a systematic review of this programme as well as other initiatives being carried out within the ECDC framework to identify opportunities for establishing suitable linkages.

63. Following General Assembly resolution 49/96, closer collaboration is already taking place on a formalized basis between the units responsible for TCDC and ECDC. This is occurring in the context of the preparation of the Secretary-General's report on the status of South-South cooperation and also in respect of the meeting of government experts, which will make recommendations on the issues and modalities that might be addressed by a future conference on South-South Cooperation. The Special Unit for TCDC and the Division for ECDC of UNCTAD have engaged in extensive consultations on these issues and the Special Unit has in fact agreed to fund a number of consultancy inputs designed to assist UNCTAD in the substantive preparations for the experts meeting, due to be held in late July/early August 1995. The Unit has also funded other activities executed by UNCTAD which are relevant to the broad objectives of TCDC.

64. The establishment of closer links between TCDC and ECDC is a central aspect of the new strategic thrust which the Special Unit for TCDC intends to adopt in the future.

2. Identification of pivotal TCDC countries

65. As described earlier, a number of countries in each developing region have achieved significant economic growth and have either engaged in sponsoring TCDC exchanges or would welcome the opportunity to do so. The Special Unit for TCDC will therefore initiate consultations with a number of pivotal countries in each region to identify new and innovative possibilities for implementing TCDC activities at either the regional or interregional level. Such initiatives could be carried out within the framework of a broad cooperation agreement between the Unit and the countries concerned, which would enable the parties to spell out their respective responsibilities in carrying out specific programmes.

3. Promotion of triangular cooperation arrangements

66. The concept of triangular cooperation, which involves the participation of developed countries in the TCDC process, has the potential to make a significant contribution to the realization of the objectives of TCDC. Under such arrangements, donor countries can utilize the services of developing countries with the requisite capacity to deliver a technical cooperation input to another developing country on a cost-effective basis. This has occurred in the case of Chile which, with the support of the Netherlands, trained the TCDC focal points in the Central American countries. Similarly, Brazilian expertise was utilized, on the basis of donor funding, in support of technical cooperation activities in

Mozambique. The Asia-Africa Forum initiative supported by Japan also has the potential to be used in this manner. It is possible to conceive a number of possible variations in the application of this basic concept. The Special Unit for TCDC will document successful TCDC triangular cooperation arrangements with a view to incorporating such arrangements involving Governments, the private sector and NGOs, as appropriate, in its own activities. Information on these experiences will be shared with interested countries.

4. Transfer of successful project experiences among developing countries

67. A major weakness of traditional multilateral technical cooperation has been the failure to document systematically successful project experiences and to establish appropriate mechanisms for transferring such experiences to other developing countries, either within the same region or in other regions. Consequently, many successful and innovative project experiences have not been replicated. This has led to situations in which new technical cooperation interventions have tended to duplicate attempts to find solutions which have already been developed elsewhere. To eliminate this deficiency, the Special Unit for TCDC will document innovative and imaginative project experiences developed within UNDP and develop a global inventory of such projects, which will be disseminated to all countries through a revised TCDC-INRES, which, as mentioned earlier, will be converted into a multidimensional database. In addition, where appropriate, the Unit will be prepared to serve as a mechanism to facilitate the transfer of such project experiences to other developing countries.

5. Formulation of subject-specific TCDC products

68. In order to respond to emerging problems which developing countries may need to address on a cooperative basis, the Special Unit for TCDC intends to explore the feasibility of formulating specific "project packages" in high impact development cooperation areas which could attract special funding, either from the developing countries themselves or from other donors. As examples, such projects could include specific assistance necessary to enable a select group of developing countries to comply with the requirements of the provisions of internationally accepted agreements, such as those relating to the Uruguay Round of the General Agreement on Tariffs and Trade (GATT), now the World Trade Organization (WTO), or the implementation of a discrete set of activities to be carried out in the context of implementing the Programme of Action for the Sustainable Development of Small Island Developing States.

6. Group of 77/UNDP award for TCDC/ECDC

69. The launch of the Group of 77/UNDP award for TCDC/ECDC, which will be presented annually to an individual, group or institution to implement a project or carry out an activity deemed to make the greatest contribution to TCDC or ECDC, is designed to promote greater awareness of the importance of South-South cooperation. The winner of the award will be announced on the anniversary of

the Group of 77 and will be formally presented on the occasion of the annual ministerial meeting of the Group held in New York during the General Assembly.

7. Special Unit for TCDC and the Group of 77

70. The Special Unit for TCDC will seek to strengthen its cooperation with the Group of 77 in order to ensure effective support for the implementation of TCDC activities, particularly in the context of the Caracas Programme of Action. The cooperation between the Unit and the Group of 77 in the management of the Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries, for example, has produced good results and will serve as an important basis on which to build a stronger relationship in terms of the promotion of South-South cooperation.

8. Special Unit for TCDC and the donor community

71. Although TCDC is primarily the responsibility of the developing countries, continued donor support for the modality can make an important contribution to its success. As mentioned earlier, South-South cooperation was emphasized as an important element of the 1991 DAC Principles on new orientations in technical cooperation, which, among other things, stressed the importance for the developing countries to assume increased responsibility for the formulation and management of their technical cooperation programmes. The issue of South-South cooperation has also featured in the discussions which have taken place in the DAC/World Bank/UNDP network on the effectiveness of technical cooperation in the 1990s. The Special Unit for TCDC therefore intends to initiate consultations with donors in order to identify possibilities for increased cooperation in promoting TCDC as a cost-effective modality in the delivery of multilateral technical cooperation activities.

VII. INSTITUTIONAL ARRANGEMENTS

72. The broad elements of the new directions strategy outlined above would require appropriate institutional arrangements to be put in place to support the substance of the new thrust and its effective operationalization. This section of the report, therefore, addresses the institutional dimension of the new direction process at the intergovernmental, national and regional levels as well as within the United Nations development system.

A. High-level Committee

73. The High-level Committee should continue to serve as the intergovernmental entity responsible for the review of TCDC. However, within recent years, apart from reviewing TCDC, the Committee has also monitored the implementation of the recommendations contained in the report of the South Commission on South-South cooperation. In fact, the Committee requested the Administrator of UNDP to report to its ninth session on the inclusion of the recommendations of the report in the TCDC activities of the developing countries and United Nations

organizations. Bearing in mind the proposal in the present report to promote closer operational linkage between TCDC and ECDC, it is recommended that the Committee should in future carry out a more systematic review of the relationship between TCDC and ECDC.

B. National level

74. Apart from formulating national TCDC policies, Governments should carry out a review of internal institutional arrangements for coordinating and managing TCDC to determine what changes to existing arrangements may be necessary in order to ensure more effective support to the TCDC process. Moreover, Governments could facilitate the application of TCDC at the national level by putting in place arrangements that would enable them to utilize better the revised TCDC-INRES information system and to use this resource as a means of exchanging information with other developing countries.

75. The effective promotion of TCDC would require that careful consideration be given to the strategic location of the national TCDC focal point mechanism in the government structure, the provision of adequate staff support and the effective control over resources allocated for TCDC in the national budget and overall development programme.

76. Consideration should also be given to the establishment of a suitable mechanism for incorporating the views of NGOs and the private sector in the articulation of TCDC policy and the planning and implementation of TCDC activities. One possible mechanism would be a national commission comprising representatives from the Government together with representatives from umbrella private sector organizations and NGOs to serve as a guidance council for promotional and operational activities. NGOs and private sector organizations should also be encouraged to utilize the TCDC-INRES database as part of their overall information system.

C. Regional and subregional levels

77. Regional and subregional organizations with clear mandates and specific sectoral or thematic orientation and supported with the resources necessary for carrying out their stated objectives could be utilized as effective conduits for delivering TCDC programmes. The Special Unit for TCDC will therefore strengthen its relations with such organizations in an effort to establish appropriate linkages in support of TCDC initiatives.

D. United Nations development system

78. Any proposal for changes in existing institutional arrangements and operational modalities in support of TCDC would need to take into consideration, among other things, existing legislative mandates on the subject, issues relating to the manner in which TCDC can be further enhanced within the United Nations development system and also the most appropriate location within the United Nations system of the functions of the institutions responsible for the

promotion and application of TCDC, with special reference to the Special Unit for TCDC, which serves as the catalyst and coordinator within the United Nations development system in respect of TCDC matters. This latter issue has been the subject of some discussion in recent years. Based on the recognition that the TCDC mandate, as reflected in the Buenos Aires Plan of Action and reinforced by General Assembly resolution 33/134 of 19 December 1978, which endorsed the Plan of Action, is an independent and clearly articulated imperative of international cooperation, supporting institutional arrangements will need to reflect this reality.

79. More generally, there is considerable potential within the United Nations development system to support the systematic incorporation of TCDC in all operational programmes. Innovative approaches adopted in the various United Nations agencies, such as FAO's TCDC protocol, should be replicated to the greatest extent possible. However, a renewed effort would need to be made to fashion operational modalities that will enable the system to become more responsive to TCDC. The Special Unit for TCDC will seek to play a proactive role in the future in seeking to ensure that TCDC is seen as a strategic element of multilateral development cooperation within the United Nations development system. Within UNDP itself, new and innovative approaches will be explored to stimulate the increased application of the TCDC modality in programme and project implementation.

80. The Special Unit for TCDC will in future contact national focal points, and national TCDC commissions where they exist, on a regular basis to inform them of global TCDC developments and will also organize training programmes for focal points, both at the national and regional levels. In the United Nations organizations and agencies, the focal point mechanism would need to be strengthened and orientation programmes in TCDC should be undertaken more systematically.

81. Based on a more systematic review of the status of TCDC in the United Nations development system, as in the past, UNDP will seek to ensure that the subject is periodically reviewed by the Administrative Committee on Coordination.

VIII. FUNDING

82. The provision of adequate funding remains central to the realization of the objectives of the new directions agenda.

83. In reviewing these funding requirements, it is relevant to point out that TCDC represents a cost-effective approach to the delivery of technical cooperation in support of medium- and long-term development objectives. The relevance of TCDC and its unique advantages in tackling priority development issues are being increasingly acknowledged and recognized. Its increased utilization could, therefore, make a significant contribution to multilateral development cooperation by reducing the overall cost of such cooperation and by enhancing its quality.

84. In terms of sources and types of TCDC funding, some of the major possibilities are indicated below.

A. National resources

85. In keeping with the principle of self-reliance, the developing countries themselves should consider allocating resources from their national budgets for the promotion of TCDC. In addition, by meeting the basic thrust of TCDC, this could have an important demonstration effect and, on this basis, attract contributions from other sources.

86. One of the ways of securing optimal use of national resources dedicated to TCDC would be the pooling of resources currently under the administration of different national agencies. Such pooling of resources should also provide a basis for matching external resources with national allocations for TCDC.

B. Special Unit for TCDC

87. In order to increase the capacity of the Special Unit for TCDC to promote and implement innovative and imaginative activities, consideration should be given to increasing the allocation of resources to TCDC during the next programming cycle.

88. In addition, the Special Unit for TCDC will attempt to assist countries and organizations to obtain financing for specific programmes and will also serve as a resource centre for developing innovative funding packages.

C. Indicative planning figures

89. Developing countries should be encouraged to continue to allocate resources from their national IPFs to finance TCDC exchanges among themselves. Moreover, the allocation of resources to activities using the TCDC modality can be enhanced through several mechanisms. First, at the time of preparing or reviewing country programmes, activities should be identified for the application of the TCDC modality. Secondly, the UNDP Project Appraisal Committees and the Programme Review Committee will be requested to examine whether the TCDC modality has been given due consideration in the design of programmes and projects. Thirdly, UNDP resident representatives will be instructed to report specifically on the application of the TCDC modality in their annual reports. Fourthly, the Programme and Projects Manual will be revised to include instructions for incorporating the TCDC modality. Finally, specific budget lines will be included in UNDP-funded programmes and projects in order to identify TCDC elements in such programmes and projects.

90. Similarly, the various regional and subregional programmes could also play an important role in allocating resources in support of TCDC initiatives. Regional programmes should, therefore, be systematically reviewed to determine opportunities for the increased application of the TCDC modality.

D. Triangular funding arrangements

91. Triangular funding arrangements should be explored as a means of increasing resources for the promotion of TCDC. Under this arrangement, donor countries would provide third-party funding for TCDC activities carried out between developing countries. The model is now fairly well established and is used by a number of countries in different regions. Its application would need to be expanded, especially in view of the shrinking volume of external financing for traditional development cooperation activities.

E. Special financing packages for TCDC products

92. As indicated earlier, the identification of specific products and project packages to deal with high priority issues relevant to the needs of the developing countries to be met through TCDC interventions may be able to attract appropriate donor funding. Through TCDC projects focused on specific problems on a sustained basis, products can be developed to deal with common issues confronting a large number of developing countries. Such products could, inter alia, include plans for the implementation of WTO rules established under the Uruguay Round negotiations of GATT; joint implementation arrangements for meeting obligations under the United Nations Framework Convention on Climate Change; a macroeconomic framework for structural adjustment protecting social investments; the establishment of a framework for the management of foreign aid; and appropriate debt management systems. These products will contribute to increased economic cooperation and global growth and, on this basis, attract appropriate donor support for TCDC activities.

F. Private-sector funding

93. In recent years, a number of major private sector corporations have emerged in the developing world. Some of these corporations operate transnationally and have significant resources at their disposal. Such corporations could become valuable sources of potential funding for TCDC.

IX. CONCLUSIONS

94. The present report has sought to review the TCDC experience over nearly two decades since the adoption of the Buenos Aires Plan of Action in 1978. On this basis, it advances a number of proposals regarding the substantive policy and operational thrust as well as the elements of a new agenda that will enable TCDC to serve as a dynamic instrument of multilateral technical cooperation. These proposals have been formulated against the background of the far-reaching changes taking place in the structure of international economic relations, which have important implications for the future of multilateral technical cooperation. In fact, an important premise of the report is that, given the changes occurring in the traditional structure of multilateral technical cooperation, TCDC is likely to assume increasing importance in the future.

95. In view of the dynamic nature of the evolution of multilateral development cooperation, the report is presented as an initial statement in an ongoing dialogue on TCDC, which is taking place in the context of an emerging global agenda that will be shaped by the contributions of a number of international conferences, such as the International Conference on Population and Development, the World Summit on Social Development, the Fourth World Conference on Women and Habitat II, as well as the proposed Agenda for Development, which is expected to be adopted at the fiftieth session of the General Assembly. The definition of the role of TCDC and ECDC in this global agenda will also be shaped by the discussions which will take place during the preparatory processes leading up to the proposed conference on South-South cooperation and during the conference itself.

96. It is appropriate that, as the United Nations celebrates its fiftieth anniversary, special consideration should be given to TCDC, which, over the years, has developed as an integral part of the operational activities of the United Nations system. It is also significant that 1995 marks the twentieth anniversary of the adoption by the UNDP Governing Council of its decision on new dimensions in technical cooperation, which called for the application of TCDC as a major technical cooperation modality in programmes and projects funded by the organization.

97. The decisions of the High-level Committee on new directions for TCDC will make an important contribution to the further elaboration of TCDC as an instrument for harnessing the significant capacities which exist in the developing world in support of a truly global enterprise in the service of development.

Notes

1/ See Official Records of the Economic and Social Council, Fifty-ninth Session, Supplement No. 2A (E/5703/Rev.1), para. 54.

2/ Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

3/ A/36/333 and Corr.1, annex.

4/ New York, Oxford University Press, 1990. For an overview and summary of the report of the South Commission, see A/45/810 and Corr.1, annex.

5/ Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, 25 April-6 May 1994 (A/CONF.167/9, and Corr.1 and 2) (United Nations publication, Sales No. E.94.I.18 and corrigenda), chap. I, resolution 1, annex II.

ANNEX I

List of participants in the External Panel on New Directions for technical cooperation among developing countries

New York, 6-7 March 1995

Dame Margaret Joan Anstee	(United Kingdom of Great Britain and Northern Ireland)
Carlos Sersale di Cerisano	(Argentina)
S. M. S. Chadha	(India)
Mersie Ejigu	(Ethiopia)
M. T. Mehdi	(United States of America)
A. M. A. Muhith	(Bangladesh)
Carlos A. Pimentel	(Brazil)
Oscar de Rojas	(Venezuela)
William T. Tita	(Cameroon)
Angel Vinas	(Spain)
George E. Williams	(Dominica)

ANNEX II

Summary of the main recommendations of the report

1. Adopt a more strategic focus for TCDC in terms of initiatives that would have a major development impact and would involve a large number of developing countries;

2. Select priority issues, such as trade and investment, debt, the environment, poverty alleviation, production and employment, macroeconomic policy coordination and aid management for strategic focus;

3. Promote closer operational integration between TCDC and ECDC;

4. Attenuate the traditional distinction between "promotional" and "operational" TCDC activities;

5. Formulate comprehensive national policies on TCDC;

6. Strengthen national TCDC focal points by elevating their status and ensuring their appropriate location within the governmental structure;

7. Restructure capacity and needs matching exercises;

8. Enhance the role of UNDP country offices as facilitators of TCDC;

9. Expand TCDC-INRES into a multidimensional database;

10. Identify "pivotal" TCDC countries;

11. Promote triangular cooperation arrangements for implementing TCDC activities;

12. Document and transfer successful innovative project experiences among developing countries;

13. Formulate subject-specific TCDC "products" that could attract special funding on the basis of their intrinsic importance;

14. Launch the Group of 77/UNDP award for TCDC/ECDC;

15. Expand the functions of the High-level Committee to ensure closer monitoring of TCDC as it relates to ECDC;

16. Carry out a comprehensive review of institutional arrangements at the national level in order to strengthen national capacity for the management of TCDC;

17. Strengthen links between the Special Unit for TCDC and regional organizations with the capacity to serve as conduits for TCDC;

18. Strengthen the role of the United Nations development system to support TCDC and ensure continued monitoring by the Administrative Committee on Coordination;

19. Establish links with NGOs and the private sector in an effort to promote TCDC;

20. Identify new funding arrangements, including consideration of the following:

(a) Increased national allocation of resources for TCDC;

(b) Increased allocation of resources for TCDC in the next UNDP programming period;

(c) Encourage countries to continue to allocate a proportion of their national IPFs for TCDC;

(d) Promote triangular funding for TCDC projects;

(e) Mobilize resources for TCDC products based on high priority initiatives likely to attract donor funding;

(f) Mobilize private sector funding for TCDC;

(g) Strengthen the Special Unit for TCDC to play a proactive role within the United Nations system in an effort to expand application of TCDC.